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*USAID IPA sponsored the first-ever 'Pakistan Pavilion' at the Game Developers Conference in San Francisco, where over 35 Pakistani game developers showcased their products. William Makaneole, U.S. Consul General (Lahore) and Asim Ali Khan, Pakistan's Consul General in Los Angeles inaugurated the pavilion. CG Makaneole also formally launched IPA's Green Alliance Gaming Challenge Awards at the event, which is one of the first initiatives under the California Punjab Sister State Relationship.*

# USAID/PAKISTAN INVESTMENT PROMOTION ACTIVITY (IPA) [CONTRACT No. 72039122C00001]

## QUARTERLY PROGRESS REPORT

Period of Performance: 01/01/2023 - 03/31/2023

Date of Submission to USAID: 04/20/2023

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## ACRONYMS

ABC	American Business Council
ADR	Alternate Dispute Resolution
APS	Annual Program Statement
B2B	Business to Business
BEE	Business Enabling Environment
BOI	Board of Investment
CBD	Central Business District
CCI	Chamber of Commerce and Industry
CG	Consul General
CLDP	Commercial Law Development Program
CLICK	Competitive and Livable City of Karachi
DFC	Development Finance Corporation
EDF	Export Development Fund
EPD	Exchange Policy Department
ESG	Environmental, Social, and Governance
EU	European Union
FDI	Foreign Direct Investment
GAP	Gender Action Plan
GESI	Gender Equality and Social Inclusion
GDC	Game Developers Conference
GoS	Government of Sindh
ICT	Information and Communications Technology
IFC	International Finance Corporation
IP&T	Investment Promotion and Trade
IPA	Investment Promotion Activity
IPO	Intellectual Property Organization of Pakistan
IPTE	Investment Promotion and Trade Enhancement

ITC	International Trade Centre
ITZs	Integrated Tourism Zones
KP	Khyber Pakhtunkhwa
KPBOIT	Khyber Pakhtunkhwa Board of Investment and Trade
LC	Letter of Credit
MOC	Ministry of Commerce
MEL	Monitoring Evaluation and Learning
OICCI	Overseas Chamber of Commerce and Industry
OPEN	Organization of Pakistani Entrepreneurs
PBIT	Punjab Board of Investment and Trade
PEA	Political Economy Analysis
PPP	Public Private Partnership
PRMI	Pakistan Regulatory Modernization Initiative
SAARC	South Asian Association for Regional Cooperation
SBP	State Bank of Pakistan
SDG	Sustainable Development Goals
SDPI	Sustainable Development Policy Institute
SEDF	Sindh Enterprise Development Fund
SID	Sindh Investment Department
SMEA	Small and Medium Enterprise Activity
SOW	Scope of Work
SSC	Sector Specific Councils
STO	Sub Task Order
STZA	Special Technology Zones Authority
TBS	The Boring Syndicate
TDAP	Trade Development Authority of Pakistan
TDR	Trade Dispute Resolution
TDRO	Trade Dispute Resolution Organization

U.S.	United States
UEI	Unique Entity Identifier
USG	United States Government
USAID	United States Agency for International Development
USPT	United States Pakistan Trade
VC	Venture Capital
VSU	Vetting Support Unit
WLB	Women Led Business

# 1. ACTIVITY OVERVIEW

Project Data Sheet		
<b>Reporting Office</b>	USAID/Pakistan	
<b>Country</b>	Pakistan	
<b>Project Name</b>	USAID Investment Promotion Activity (IPA)	
<b>Prime Managing Contractor</b>	Chemonics International Inc. ("Chemonics")	
<b>Subcontractors</b>	Semiotics Consultants (objectives 1 and 2), Development Executives (objectives 3 and 4), Delphos International (objectives 3 and 4)	
<b>Contract Number</b>	72039122C00001	
<b>Total Contract Value</b>	USD 16,876,093.00	
<b>Key Program Dates</b>	Project's Implementation Period	12/1/2021 – 11/30/2026
<b>Project Goal</b>	Support USAID/Pakistan's Country Development Cooperation Strategy to promote a more stable, peaceful, and prosperous Pakistan by advancing Development Objective 3, "Increase Private Sector-led Inclusive Economic Growth," contributing to intermediate result 3.2 "Business enabling environment (BEE) improved."	
<b>Project Objectives</b>	<p>The USAID funded, Chemonics implemented IPA will promote stability and prosperity for Pakistan through the achievement of the following objectives:</p> <ul style="list-style-type: none"> <li>• Objective 1: Business enabling regulatory environment for investment promotion improved.</li> <li>• Objective 2: Institutional reforms, ease of compliance and doing business, and transparency improved.</li> <li>• Objective 3: U.S.-Pakistan Bilateral Trade and Investment increased.</li> <li>• Objective 4: Mobilization of FDI and U.S.-Pakistan Bilateral Trade enhanced.</li> </ul>	

## 2. EXECUTIVE SUMMARY

During this reporting period, the USAID Investment Promotion Activity (IPA) continued to expand and implement programmatic activities according to the project's approved workplan. This included working closely with partners and ensuring that the project's priorities and initiatives were in line with those of the government and other stakeholders. IPA also participated in two key international investment promotion events and used one of them as a platform to initiate activities under the USAID IPA facilitated California-Punjab Sister Province/State agreement signed in January 2023.

In Year 2, the **Business Enabling Environment (BEE)** workstream of IPA is focusing on developing technical interventions to address the gaps and constraints to investment promotion as identified in Year 1 through various assessments. In this regard, IPA continued to expand and build on relationships with key public and private sector players to introduce the project, discuss intervention areas, and to explore mutual collaborations for undertaking reforms related to investment promotion and U.S.-Pakistan bilateral trade. This included interactions with the Board of Investment (BOI), Punjab Board of Investment and Trade (PBIT), Sindh Investment Department (SID), Khyber Pakhtunkhwa Board of Investment and Trade (KPBOIT), Ministry of Commerce (MOC) and other autonomous organizations including the Intellectual Property Organization of Pakistan (IPO) and the Trade Dispute Resolution Organization (TDRO). The team also engaged with key entities like the State Bank of Pakistan (SBP), Trade Development Authority of Pakistan (TDAP), Sindh Enterprise Development Fund (SEDF), and Special Technology Zones Authority (STZA). These interactions led to the identification and finalization of key technical support activities.

To better understand and leverage wider support of the private sector in designing interventions, the team held an introductory meeting with the Overseas Chamber of Commerce and Industry (OICCI), which is a platform to promote foreign investments into Pakistan. The Chamber's current membership consists of over 200 firms, representing 35 different countries and 14 different sectors of trade and industry. IPA also held a follow-up meeting with the American Business Council of Pakistan (ABC) to discuss the engagement plan between both organizations covering policy and research, advocacy, and participation in events. The project initiated a market assessment on capacity building for the ICT sector on investment readiness. IPA initiated this activity based on the feedback of several meetings with private sector stakeholders on how investment readiness affects the ability of private sector firms to raise capital investment. Based on the market assessment's findings, IPA intends to design a capacity building program that bridges the gap between investor demand and supply of investable businesses.

At the federal level, the project continued to work closely with the BOI to identify its needs for technical assistance to design and initiate activities. The Board requested IPA's technical assistance to help rollout the Pakistan Regulatory Modernization Initiative (PRMI) with reference to regulatory reforms in priority sectors (Agri-Business and Processing, Tourism/Hospitality, and Information & Communications Technology). The activity is under implementation and will be completed during the next quarter. IPA also actively engaged with BOI on establishing its "Invest Pakistan" initiative as a dedicated digitized front office for attracting, realizing, and retaining domestic and foreign investments. To ensure better coordination, both organizations have agreed to meet on a fortnightly basis to monitor and track progress for ongoing and planned activities.

IPA also continued close coordination with the Trade Policy Division at the MOC. Based on IPA's suggestion, the MOC established a steering committee to oversee and provide technical direction on the overall reform initiatives which are being undertaken through joint efforts of IPA and MOC.

At the provincial level, IPA continued to collaborate with the Government of Punjab through PBIT to develop the Trade and Investment Promotion Strategy for Punjab. The team met with several private sector stakeholders across the Information Technology, Manufacturing, Agribusiness, and Tourism sectors and conducted two focus group discussions for the agribusiness and information technology sectors. Twenty businesses were engaged on key discussions around identifying investment drivers in Punjab and for discussing opportunities taking Pakistan's current economic conditions into consideration. IPA is working on the final report and will complete this activity by the end of April 2023.

In Sindh, IPA launched the 'Review and Modifications in Public Private Partnership (PPP) Legal and Institutional Framework for PPP Unit, Sindh' activity, which the project will complete in the next quarter. During a kick-off meeting for this assignment, the Government of Sindh (GoS) also highlighted other potential areas of collaboration including review of the draft Investment Policy developed by the Sindh Investment Department (SID), which they plan to share for IPA's review and feedback. The GoS suggested that IPA work with SEDF to support potential private sector firms to attract investments and enhance U.S.- Pakistan trade prospects. The GoS is also focusing on gender related initiatives like establishing a gender equality desk and building the capacity of women entrepreneurs in the province.

For Khyber Pakhtunkhwa (KP), IPA continued its engagement with KPBOIT and received a formal request seeking technical assistance to help augment the overall investment climate in the province and promote bilateral trade between U.S. and Pakistan. The team will continue further discussions with KPBOIT to finalize details related to assistance that the project can provide.

As part of IPA's contractual deliverables, the project initiated work on the 'Analytical Capacity Review of Priority Sectors at the Boards of Investment across Pakistan' assignment. Through this exercise, the project will develop recommendations for a comprehensive priority sector selection approach - based on international best practices which will help investment promotion agencies in Pakistan to undertake informed decisions for attracting foreign direct investment (FDI) in the country. IPA also completed work on its Political Economy Analysis (PEA), which served to help understand, identify, and relate the current and possible future political economy in the backdrop of political activities like the upcoming elections to IPA's objectives and mandate. It helped increase the project's understanding around more politically feasible activities and served to guide IPA's activities for maximum impact through its interventions. IPA shared the PEA with USAID during the current reporting period. IPA also held the first meeting of its Investment Promotion and Trade Enhancement (IPTE) Advisory Group. The group comprises of key representatives from public and private sector organizations that are relevant actors in the investment promotion and trade eco-system of the country. The members were introduced to IPA's objectives/work and discussions revolved around areas of focus including priority sectors and possible stakeholders that IPA could work with in the future.

Under the **Investment and Trade Promotion (IP&T)** workstream, IPA also continued engagements with key private and public sector entities such as the BOI, MOC, Trade Development Authority of Pakistan (TDAP), International Trade Centre's (ITC) SheTrades, Organization of Pakistani Entrepreneurs (OPEN), Export Development Fund (EDF), and others to identify potential



areas for collaboration to help mobilize foreign direct investment (FDI) and increase U.S.-Pakistan bilateral trade.

The team continued engagements with the MOC and TDAP to identify initiatives for collaboration that have a high probability for increasing U.S.-Pakistan bilateral trade such as developing sectoral growth strategies and provision of international certifications to Pakistani firms to enhance their exports.

The IP&T team worked with the BOI on three activities during this reporting period: (a) gap assessment regarding BOI's website, marketing, and communication capacities, (b) investable project updating activity, and (c) upgrading and updating their Country Investment Guide.

The project identified specific requirements to operationalize and optimize digital tools and platforms that the BOI can utilize to achieve its investment attraction and facilitation functions and improve its investment promotion (marketing and events) capacities in the form of a comprehensive assessment report. IPA submitted the report (developed by its international consultant) to the BOI during the current reporting period. Upon receiving the BOI's feedback on this report, the team will develop a scope of work (SOW) to implement key recommendations from the report during the next quarter.

IPA is facilitating the BOI to update and modify its existing Country Investment Guide by developing new and updated content and making it more engaging and user-friendly to generate the interest of the global investment community and provide them with a complete guide to current opportunities and conditions for investment in Pakistan. The project initiated the process to recruit two consultants - a researcher/content writer and a graphic designer – and will initiate the activity during the next quarter.

The project is assisting the BOI to evaluate, update, and appraise projects identified by the BOI to develop a pipeline of investment ready projects that can be showcased in relevant investment attraction and promotion activities carried out by the BOI in collaboration with its public and private sector partners. Following USAID's approval of the SOW for this assignment, IPA initiated the recruitment process and shared a list of top candidates with the BOI for their feedback on the selected candidates. IPA will implement this activity during the next quarter.

IPA successfully finalized the second sub task order (STO) with subcontractor Delphos. Under this STO, Delphos will support IPA to raise investment in Pakistan by attracting investors, assisting their entry and establishment in the country, securing their retention, and fostering their links with Pakistan companies. The STO sets out the technical approach and associated costs for investment matchmaking services with a key goal of raising capital for a select number of Pakistani companies from IPA's investment opportunity pipeline. Delphos will submit their work plan for this activity in April 2023.

IPA made headway in preparing a program to develop a pipeline of investment ready projects and conduct their matchmaking with international investors that would lead to successful FDI deal closures. The team has developed a complete mechanism to prepare this pipeline, build capacities of firms to become investor-ready, and has identified avenues through which this pipeline will be promoted to international investors. In parallel, the project has laid the groundwork for investor-investee matchmaking to conduct one-on-one meetings.

The team developed a detailed concept note for organizing investment promotion roadshows in the U.S. to showcase the investment potential of Pakistani companies and fostering their connections with U.S.-based investors. The concept note contains the detailed process of organizing the event including shortlisting and selecting Pakistani firms that can be promoted at the roadshows, an investor outreach strategy to engage investors to attend and meet with the companies at the event, the list of collaborating partners and their roles and responsibilities, matchmaking activities, event format, potential locations and other travel and logistical details. IPA will submit this concept note to USAID for approval in the next quarter.

IPA participated in two key international and one local investment promotion events: Paklaunch Unconference 2023 held in Dubai, Future Fest 2023 held in Lahore, and the Game Developers Conference (GDC) 2023 held in San Francisco. These events enabled the project to develop connections with international investors and helped Pakistani firms showcase their products/services and investment potential globally. IPA continued its efforts to collaborate with International Trade Centre's SheTrades to promote Pakistani women-led businesses on their online portal and provide them with access to capital providers from across the world.

Under the **IPA Fund**, the project launched a new round of awards – the Green Alliance Gaming Challenge Awards, which William Makaneole, the U.S. Consul General (Lahore) formally announced at GDC in San Francisco. IPA will award grants to Pakistani game developers for developing commercially viable games that will help create awareness about climate change, promote steps that can be taken to help mitigate challenges related to climate change, and highlight its effects on Pakistan and the world. These games will also be used to inspire people to act by showing them the positive impacts of their actions and encouraging them to advocate for policies that support sustainability. They will help increase IT exports from Pakistan, as well as present investment opportunities for international investors to invest in the mobile gaming companies that developed game through these grants.

During this reporting period, the project organized pre-application orientation sessions for its Tech Transfer Grants in Karachi and Islamabad, which a total of 128 individuals (including 36 women) attended.

For the first round of the U.S.-Pakistan Trade and FDI grants that were launched in July 2022, IPA carried out pre-award risk assessments for 11 potential grantees based in Lahore, Karachi, and Peshawar. Following vetting and USAID approvals, the project awarded two grants from this round to Butt Footwear and Dekalb Trade Voice.

The following sections of this quarterly report provide detailed information related to activities undertaken during this reporting period.

### **3. ACTIVITY IMPLEMENTATION PROGRESS**

The following sections present key IPA programmatic activities. These activities are categorized into the four IPA objectives and eight sub-objectives:

#### **Objective 1: Business Enabling Regulatory Environment for Investment Promotion Improved**

##### **Political Economy Analysis**

During this quarter, IPA complete its PEA, which has helped improve the project's understanding around more politically feasible activities by setting realistic expectations in terms of what can be achieved, over what time frame, and the identification of opportunities for success and risks of failure. The PEA identifies the underlying causes of problems which the IPA team needs to be mindful of when designing and implementing interventions across all workstreams. The report identifies investment and trade related priorities of all three mainstream political parties of Pakistan, including the roles of the judiciary and the military. The recommendations from the report include advocacy and outreach to political decision makers across all political parties - given that the development of political manifestos in the backdrop of the upcoming elections are expected to take place in the next six months. The report also highlights the probability of the continuity in leadership and governance for Sindh and KP, which provides IPA an opportunity to strengthen its ties with political and reform related stakeholders in these provinces over the next few months. The PEA also suggests prioritizing focus on Information and Communications Technology (ICT) and Tourism/Hospitality sectors given the relatively greater dynamism of entrepreneurship, less intrusive regulatory structure by the state, and the absence of entrenched rent-seeking patterns. This will provide IPA insights for prioritizing sectors and provincial institutions to work with under different workstreams and will help to take the wider political economy into consideration before designing interventions, especially with public sector institutions.

##### **Market Assessment for Capacity Building of Private Sector on Investment Readiness**

Based on IPA's stakeholder engagements with the private sector during the last quarter, the team formally initiated a Market Assessment activity to assess the demand and supply gap with regards to investment readiness for firms from the Tech sector. The Market Assessment activity will seek to identify investor demands and requirements through consultations with angel investors, venture capital firms, accelerators, and tech firms to validate and assess the need for capacity building of the private sector on investment readiness. The Market Assessment will also incorporate feedback from investors, accelerators, and the private sector on a capacity building model developed in-house by the IPA team and suggest how to design the model to ensure its effectiveness according to IPA's mandate and indicators. During this reporting period, the project recruited a consultant who met with investors and accelerators such as Sturgeon Capital, Sabr Capital, Katalyst Labs, Fatima-Gobi Ventures, Amaana Capital, and Invest2Innovate. Some of the key takeaways from these discussions was an acknowledgement from the stakeholders that investment readiness was an issue worth addressing. The stakeholders were also of the view that the success of any capacity building program for investment readiness would rest on how the program is designed. Special emphasis should be given to mentorship from investors and experienced founders who have raised capital. The investors that the consultant met with also highlighted the importance and need for a solid pitch deck that communicates the objectives of a business, its growth strategy, and ability to scale-up its business model. The consultant will continue stakeholder consultations and complete this assignment in the next reporting period. Following this and based on the final report, the team will design a capacity-building model on investment readiness for the private sector.

The following were IPA's engagements with the private sector:

### **Overseas Investors Chamber of Commerce and Industry**

Continuing its efforts to effectively engage the private sector, IPA held a meeting with Mr. M. Abdul Aleem, Chief Executive/Secretary General, OICCI in Karachi to identify synergies and cooperation on initiatives to promote investments in Pakistan. The IPA team introduced the project and appreciated OICCI's efforts for bringing in and retaining foreign investors in Pakistan along with conducting research and surveys on key areas like investors' perceptions and intellectual property. Mr. Aleem highlighted that OICCI has investors from 31 countries with approximately US \$ 3 billion investments. However, over the past few years, FDI from the U.S. is decreasing and increasing from European Union (EU) countries - specifically from Holland. OICCI serves as an advocacy platform for its members in its interactions with the government. Mr. Aleem informed IPA about current issues faced by the investors including uncertain political and economic environment, policy and regulatory issues, unstable prices, and devaluation of the Pakistani Rupee. As OICCI is a key entity representing overseas investors, IPA will continue to have regular interactions with it to discuss and define a way forward on areas of mutual interest and to help resolve investors issues. IPA also ensured the participation of OICCI in its first meeting of IPTE advisory group.

### **American Business Council of Pakistan**

The American Business Council (ABC) of Pakistan has been accredited as the voice of U.S. businesses operating in Pakistan, with 60 member companies, both American and Pakistani. During this reporting period, IPA held a follow-up meeting with the President and executive committee members of ABC to discuss the development of an engagement plan covering policy, research, advocacy, participation in events, and other potential areas of collaboration. The IPA team shared that its working on improving business enabling environment for investors by providing technical assistance to federal and provincial boards of investment and trade and other relevant institutions. The team also shared its engagements with different entities like Delphos International, Development Finance Corporation (DFC), and EXIM bank to provide investment advisory and matchmaking services, debt and equity support, and export credit insurance. The ABC members appreciated IPA's efforts to facilitate private sector to attract foreign direct investment and requested for a separate session on these services for ABC member companies. To keep ABC up to date with IPA's activities, the project has brought on board ABC's Vice President as a member of its IPTE Advisory Group and attended the first meeting of the group. Such engagements will help develop a strong working relationship between both organizations and help facilitate U.S. investors.

The following were IPA's engagements with the public sector:

### **Federal Board of Investment**

Given that BOI is IPA's key project stakeholder at the federal level, the project continuously engaged with the Board through a series of working-level meetings to identify its needs for technical assistance to design and initiate proposed activities. IPA's BEE team is providing technical assistance to BOI for the 'Rollout of PRMI' through regulatory simplification in priority sectors" and "Invest Pakistan initiative". During this quarter, both sides agreed to enhance coordination and develop mutual understanding around the technical support areas under IPA by having progress update meetings on a fortnightly basis.

With respect to IPA's support to BOI for regulatory simplification under the PRMI, the project recruited consultants for this assignment and will schedule a formal kick-off meeting with the Board early next quarter. IPA will implement this activity in close coordination with BOI and will complete it during the next quarter. Secondly, BOI is working to establish 'Invest Pakistan' as a dedicated digitized front office for attracting, realizing, and retaining domestic and foreign investment by focusing on and improving communications/outreach, branding, research, and investor facilitation related functions. Based on IPA's technical inputs during meetings, the BOI team requested the project's ideas and feedback on the Invest Pakistan concept and invited the project to attend its launch event on February 14, 2023. IPA participated in the event and submitted a short note to BOI with its feedback and comments on Invest Pakistan. IPA is also supporting BOI with this initiative through a Communications Expert and Research Analyst to analyze their current marketing, communication, and promotional strategies to design awareness campaigns and communication collateral on the reform activities along with initial research work for establishment of such a state-of-the-art investor facilitation center.

### **Ministry of Commerce, Government of Pakistan**

During this reporting quarter, IPA held a progress update meeting with the Trade Policy Division of MOC, which was chaired by Mr. Syed Hamid Ali, Additional Secretary (Trade Policy). The purpose of the meeting was to update MOC on multiple engagements being carried out by the project in collaboration with the Ministry, including TDRO, TDAP, and Export Development Fund (EDF), and discuss other avenues for possible collaboration. IPA inquired about the federal government's plans to establish the National Compliance Center, which was highlighted by the Government of Pakistan during the 9<sup>th</sup> U.S.-Pakistan Trade and Investment Framework Agreement Council meeting. IPA proposed technical collaboration on this initiative in terms of consolidation of information regarding legal, regulatory, and compliance requirements for the U.S. market for import and export. MOC briefed IPA on the rationale and purpose behind establishing this compliance center and informed that the Ministry is currently working on the institutional design/framework for this center. The Ministry expressed interest in seeking IPA's support for the overall design of the compliance center. Furthermore, the MOC also requested IPA's support to connect it with a relevant U.S. Government entity that deals with trade related compliances. The MOC also plans to develop local off-dock terminals at the ports in the country and upgrade the facilities of existing terminal operators, as part of its access to Central Asian markets initiative. For this purpose, MOC requested IPA's support in attracting foreign investors that can invest to upgrade and innovate these off-dock terminals and facilities.

Based on a request from IPA, the MOC notified a Steering Committee to oversee and provide technical guidance on initiatives being undertaken by IPA in collaboration with the ministry. The committee is comprised of senior officials from MOC such as Additional Secretary (Trade Policy), Director General (Trade Policy), and Joint Secretary. The first meeting of the Steering Committee will be held during the next quarter.

### **Trade Development Authority of Pakistan**

During this reporting period, IPA held an introductory meeting with Mr. Muhammad Zubair Motiwala, Chief Executive, TDAP to introduce the project and discuss possible collaboration, particularly for bilateral trade enhancement between the U.S. and Pakistan. The Chief Executive highlighted Pakistan's strong export potential which needs to be strengthened through partnerships, robust trade frameworks and agreements, technical capacity building of firms especially exporters, and through other avenues. He also emphasized the need for concrete steps to promote trade and investment in key sectors including Textile, Engineering, Energy, and Tourism. TDAP team also

highlighted the importance of sellers' presence on e-commerce platforms such as Amazon. However, limitations exist due to the unavailability of global payment gateways such as PayPal. Both organizations assigned focal persons to ensure better coordination based on an engagement plan prepared by IPA, which entailed possible areas of intervention in collaboration with TDAP. This initially included conducting research and consultations to identify and discuss regulatory and compliance issues of private sector related to U.S. - Pakistan trade, assist implementation of women entrepreneurship export readiness training programs for firms, international standard certifications, participation in national and international trade exhibitions, capacity building of trade delegations, and outreach of IPA Fund Grants.

As part of the engagement plan, IPA intends to leverage TDAP's "Women Entrepreneurship Development Plan" and execute export readiness training programs for women-led firms who are already exporting products or are ready to export, to make them "export ready" for the U.S. market. IPA developed a concept note following multiple interactions with the Deputy Director (focal person on women entrepreneurship) for TDAP. The concept note covers the purpose/objectives of the training programs, suggested themes/modules, and envisaged outcomes through these trainings. IPA and TDAP are currently in the process of identifying target beneficiaries for these trainings. Based on data provided by TDAP, IPA will carry out an inhouse needs assessment to identify the most pressing gaps for these women-led businesses (WLB's) in accessing and exporting to the U.S. market. Outcomes of this assessment will help inform the selection criteria for trainees and the design of the training program. IPA will initiate these training courses in the next quarter in collaboration with TDAP.

### **State Bank of Pakistan**

IPA met with Dr. Asif Ali, Director, Exchange Policy Department (EPD), SBP and his team during this quarter. EPD is one of SBP's key departments actively involved in the formulation and implementation of policies relating to exports/imports, foreign currency accounts, and advises the government and other departments on issues related to trade policy, World Trade Organization, free trade agreements, investment policies, and bilateral investment treaties. Mr. Ali highlighted that the current regulatory regime is investor friendly and SBP has given more powers to commercial banks to facilitate the private sector and investors. He shared that SBP mainly focuses on cross border payments instead of developing any policies, which is the mandate of Federal Government (specifically the BOI). In terms of the business enabling environment, the SBP team suggested that IPA should regularly share issues and challenges faced by businesses and investors in terms of SBP's rules and regulations which may be considered by SBP to facilitate investors. For trade enhancement efforts, IPA discussed payment gateway issues and the private sector's interest in using PayPal in Pakistan. SBP clarified that it does not have any restrictions on PayPal and that the entity does not seem interested in coming to Pakistan. The IPA team also discussed the issue of raw material import highlighted by the private sector. SBP highlighted that its relevant department regularly reviews harmonized system codes of key products and provides guidance to commercial banks to prioritize essential items and the import issue can be resolved through timely consultation of upcoming transactions between importers and their banks. Mr. Ali also highlighted that the economy is facing strong foreign exchange reserve issues and SBP has given many incentives and regulatory ease to improve two key sources of foreign exchange reserves including exports and remittances. He shared that SBP has recently made exchange rate adjustments and increased policy rate that will bring better results for the economy and the investment climate despite political uncertainty. SBP suggested that IPA should consider bringing more FDIs that will help shore up foreign reserves. IPA will be regularly interacting with SBP to bring to its attention

similar issues of the private sector and to discuss avenues through which IPA could address those either through a technical intervention or through advocacy efforts.

### **Sindh Investment Department (SID)**

Since the start of the project, IPA has effectively engaged the Government of Sindh (GoS) to understand its priorities and identify needs for technical assistance to improve the overall business enabling environment for attracting investment and promoting trade. Based on various interactions, one of the key areas highlighted by GoS was its focus towards attracting investments in Public Private Partnership (PPP) arrangements and formally requested IPA's technical assistance to support its PPP Unit. IPA analyzed this request and suggested improving the overall PPP framework to attract FDI in Sindh through the "Review and Modifications in PPP Legal and Institutional Framework of Sindh" assignment.

IPA recruited a Legal Expert and a PPP Expert and formally initiated this assignment. The project presented the work plan and main areas of focus as laid out in the scope of work (SOW) for the assignment to the Secretary, SID, and his team to solicit their feedback/inputs regarding their expectations. The PPP Unit highlighted key issues in the current PPP regime i.e., missing Unsolicited Proposals Framework/policy, efficient dispute resolution mechanism and certain gaps in PPP Act, PPP Policy, and PPP Hedging Policy as they are outdated and need modifications as per latest trends. IPA agreed to focus these issues along with analyzing potential of Government-to-Government investments and other areas (such as facilities for mitigation of political risk) to suggest workable solutions to facilitate foreign investors. This activity will continue implementation in the next quarter, with field visits and meetings with key stakeholders including PPP Unit, SID, PPP Nodes, PPP Support Facility, Fund Management House, and International Finance Corporation. Insights gathered during these and similar interactions with the private sector will help develop IPA's findings and recommendations in the final report.

While discussing other areas of collaboration between IPA and GoS, Secretary SID appreciated previous technical assistance to GoS through the USAID Small and Medium Enterprise Activity (SMEA) project including the development of a Domestic Commerce Policy and an Investment Policy Framework. SID has developed a draft Investment Policy and requested IPA's support to review and provide feedback considering the broader objective of FDI attraction. He further suggested the IPA team to have a separate meeting with the team of Competitive and Livable City of Karachi (CLICK) project of GoS as it is also focusing on ease of doing business and business process re-engineering and will share its working and ideas with IPA. The Secretary also highlighted the role of SEDF to facilitate private business and investment and suggested the IPA team also meet with SEDF to explore technical assistance and collaboration areas. IPA shared potential areas with the SEDF team including projects for the investment pipeline and details related to the IPA Fund Grants.

IPA is following up with SID to receive a copy of their Investment Policy. The project is also actively engaged with the CLICK project in terms of knowledge sharing regarding business reforms actions to support ease of doing business. IPA also met with the CEO of SEDF in which IPA specifically discussed the idea of training support for improving awareness about gender equality concept and the need of its integration in public departments' technical activities. GoS is also working on setting up a Gender Equality Desk at the SID with support from the Growth for Rural Advancement and Sustainable Progress (GRASP) project of the International Trade Centre (ITC).

### **Khyber Pakhtunkhwa Board of Investment and Trade (KPBOIT)**

IPA held an introductory meeting with Mr. Said Mahmood, Vice Chairman, KPBOIT to introduce the project and understand the Board's ongoing reform efforts to promote investment and trade. Mr. Mahmood and his team expressed keen interest in engaging with IPA to help strengthen KP's business enabling environment and augment the role of KPBOIT to promote and facilitate trade and investments in the province. He stressed upon the strict and time-consuming visa processes of the U.S. that compels local businesses to import raw materials from other countries, which have an easier access. KPBOIT appreciated IPA's facilitation role with the Punjab-California Sister State Relationship and solicited support in establishing a similar kind of relationship between KP with Texas. KPBOIT is currently constructing Integrated Tourism Zones (ITZs) in KP, in collaboration with the World Bank's Khyber Pakhtunkhwa Integrated Tourism Development project, to help steer FDI in the tourism sector. The Federal Government plans to institute a National Compliance Center and has directed the provincial governments to formulate Provincial Compliance Centers to promote trade in Pakistan by consolidating information on mandatory legal and regulatory requirements in different countries for import and export of any product. During the meeting, the Board also highlighted other potential areas of technical assistance from IPA including assistance with creation of a U.S.-Pakistan facilitation desk at KP-BOIT, establishment of a U.S.-KP Economic Zone in the province, review of the provincial Investment Policy 2013 and Investment Promotion Strategy 2021-2025 for further refinement, a gap assessment of KPBOIT, and enhancing the Board's capacity on investment promotion/attraction/aftercare, reactivation of Asaan Karobar facilitation portal for ease of doing business in KP, facilitation with Business to Business (B2B) interactions between the U.S. and Pakistan to extend market access and foster diffusion of technology, and participation in international events/roadshows to mobilize FDI in public projects. As part of the next steps, KPBOIT will submit a request letter to IPA, listing areas with which they require technical assistance.

#### **Special Technology Zones Authority**

Similarly, IPA also met with STZA to understand their existing institutional arrangements, and ongoing and services provided by the authority to the investors. STZA informed IPA that it is planning to organize National Technology Dialogues in various cities of Pakistan, which will help identify existing barriers and gather recommendations from key stakeholders, associated with public and private sector, in terms of attracting foreign investments in the ICT sector. Moreover, the authority is in process of devising a U.S. engagement strategy to tap the U.S. market and attract U.S. companies to Pakistan and promote local and international business partnerships. The meeting also discussed the possibility of utilizing the established technology zones of STZA as a sandbox to implement reforms to gauge their impacts. STZA expressed keen interest in collaborating with IPA to organize investment readiness training programs and highlighted that these trainings will be highly beneficial for STZA licensees to raise investments. An introductory meeting of IPA with the new Chairman of STZA will be organized during the next reporting period to finalize details of collaboration.

#### ***Sub-Objective 1.1: Investment policy framework improved***

##### **Roll-out of the New Investment Policy 2022**

The BOI has drafted a new Investment Policy (IP) 2022 with assistance from the International Finance Corporation (IFC). The policy is still in the development stages and the Board is carrying out various peer reviews of the draft policy and mobilizing private sector dialogues through stakeholder buy-in events such as consultative sessions. IPA has proposed to support the Board through development of an action plan and broader consultations with the stakeholders – as part of the project's Year 2 workplan. While the IPA team continuously followed up with BOI regarding



IPA's technical support, BOI's response has been delayed and unclear partly due to shift in its priorities with increased focus on investor facilitation and promotional activities. Adopting a proactive approach, the project has developed an action plan using in-house expertise and resources and shared it with the BOI for their consideration. The action plan was developed based on a draft version of the policy shared by BOI with USAID for their review/feedback in October 2022 and covers a roll-out plan after examining lessons on FDI attraction through experiences of various countries. IPA has given recommendations with prioritized actions in areas such as investment liberalization, facilitation, promotion and retention, policy coordination, investor's rights, and their protection and investment incentives. This tentative action plan is designed in a way that it can be quickly updated based on the finalized policy and can assist with its approval from the Federal Cabinet of the Government of Pakistan.

### ***Sub-Objective 1.2: Attractiveness of Pakistan as an investment destination increased***

#### **Development of a Trade and Investment Promotion Strategy for the Government of Punjab**

IPA continued to provide technical assistance to the Government of Punjab to develop a Trade and Investment Promotion Strategy, in collaboration with PBIT. This strategy is aimed at attracting FDIs, expanding domestic and foreign investment in the province, and encouraging exports based on international best practices. During this reporting period, IPA's consultants met with public and private stakeholders from multiple sectors to discuss key drivers of investment in Punjab and identify constraints and opportunities relative to the country's current economic condition. Stakeholders from the manufacturing sector highlighted the restriction of imports of raw materials which are needed for manufacturing export-oriented textiles. The restrictions on imports will lead to a dip in exports for the next quarter as fulfillment of orders will be affected. Several stakeholders also highlighted Pakistan's lack of GSP Plus status which affects the country's price competitiveness when compared to other countries competing in the same product categories. The IPA team also held two Focus Group Discussions for the Agri-processing and ICT sectors with 20 businesses. Based on stakeholder consultations and Focus Group Discussions, IPA's consultants also finalized an Inception Report for the activity which highlighted sectors such as IT and IT-enabled services, technical textiles and synthetic garments, agri-processing, automotive and automotive parts, logistics and warehousing as key focus areas for the next three years. IPA will complete the final report during the next quarter.

#### **Intellectual Property Rights**

During this reporting period, the project gathered insights related to intellectual property rights with respect to investment promotion to design an intervention to address this issue. Subsequently, based on initial discussions with the private sector and with IPO of Pakistan, the need for developing a national intellectual property rights policy emerged. The team also met with John Cabeça, the Intellectual Property (IP) Counselor for South Asia from United States Patent and Trademark Organization for his comments and insights on Pakistan's intellectual property rights enforcement issues and to assess if an intervention in this area was of interest to USAID. However, based on discussions with USAID, it was decided that this activity was better suited to be handled at a government-to-government level instead of IPA. After this decision, IPA initiated a contract modification since this was a contractual deliverable for the project.

### **Objective 2: Institutional Reforms, Ease of Compliance and Doing Business, and Transparency Improved**

### ***Sub-Objective 2.1: Investment and business reform processes to reduce costs and time streamlined***

#### **Institutional Support to the Trade Dispute Resolution Organization**

One of the prominent barriers faced by investors and businesses in Pakistan is absence of a devoted platform to resolve disputes arising from cross-border trade and enforcement of contracts. To address this concerning issue, the Government of Pakistan has instituted the TDRO with an aim to enhance the existing trade dispute resolution regime in the country. To fulfill its legally mandated functions and services, TDRO drafted its Trade Dispute Resolution (TDR) Bill, but the bill awaits approval of the upper house (Senate of Pakistan) for promulgation. Given that the TDR Bill is in approval process, TDRO requested IPA to strengthen its institutional capacity to effectively resolve international trade related disputes. As part of IPA's Year 2 workplan, the project is providing technical assistance to TDRO in developing an actionable roadmap to support the organization operate and function as per the TDR Bill, 2022. The roadmap will identify prioritized actions, timelines, roles and responsibilities, coordination mechanism and required capacities/ resources etc., based on the bill. Furthermore, IPA will help develop this roadmap keeping in view international best practices, global standards, conventions, and arbitral awards, to ensure that the domestic trade dispute resolution mechanism is in consonance with international standards. During this quarter, IPA selected candidates for the Trade, Institutional and Legal Expert positions for this assignment. As for the next steps, the project will organize a kick-off meeting with its technical experts and TDRO to discuss various technical aspects, timelines, and other modalities relevant to this activity.

Separately, TDRO informed IPA about the visit of delegation from Commercial Law Development Program (CLDP), Office of General Counsel, United States Department of Commerce, in Pakistan to get familiar with alternate dispute resolution (ADR) mechanism in the country. In this regard, TDRO sought IPA's assistance for its dialogue with CLDP. At the request of TDRO, IPA prepared and submitted an analysis and recommendations on ADR, based on the findings stemming from the previous studies of the USAID SMEA project.

#### **Follow-up to Year 1 Landscape Assessment and other studies**

Countries across the globe utilize sector prioritization mechanisms to identify high yielding sectors and consequently dedicate specific incentives to drive FDI in the region. IPA, as part of its Year 2 workplan, initiated a research-based study to assess the existing mechanism and tools utilized by the federal and provincial investment promotion agencies in Pakistan, to shortlist priority sectors for greater FDI inflows within the country. This exercise will also entail reviewing the internal capacities of the local investment promotion agencies in the country to undertake this extensive exercise and other requisite concentrated efforts to promote and attract investments in the focal sectors. Through this exercise, IPA aims to propose a congenial sector selection process and related efforts, keeping in view international best practices that can be followed in Pakistan. During this reporting period, IPA recruited two consultants (Economist and Sector Analysis Expert) and finalized a workplan for this activity. Regarding the next steps, the technical team will continue with its desk review and initiate consultations with key stakeholders to gather relevant information pertaining to this exercise. This activity will be completed next quarter.

### **Sub-Objective 2.2: Transparency in investment promotion increased**

#### **Gap Assessment of BOI's capacity to delivery investor services**

As part of its workplan, IPA proposed a detailed gap assessment of BOI to assess the Board's capacity in terms of attracting and facilitating investments and addressing those gaps. While the SoW for this technical activity was drafted and shared with BOI during last year, considering the priorities of BOI management, this activity was put on hold. Since then, IPA hasn't received any formal response from BOI even after multiple follow-ups. In the meantime, IPA continued offering its technical support to the BOI in other areas of immediate importance including the 'Invest Pakistan' initiative and the 'Asaan Karobaar Bill'.

### **Objective 3: U. S.- Pakistan Bilateral Trade and investment increased**

The following were IPA's engagements with relevant public and private sector stakeholders related to investment and trade:

During this quarter, IPA continued to engage with various business advocacy networks, development finance institutions, and government entities to introduce the project and learn about their activities to identify avenues for potential collaborations to enhance U.S.-Pakistan bilateral trade and investment and mobilize FDI. Following are some key engagements that IPA carried out during the reporting period:

#### **Punjab Board of Investment and Trade**

On January 9, 2023, IPA held a follow-up meeting with PBIT to discuss details about providing technical assistance to the Board. PBIT informed IPA that they are planning to participate in an upcoming 'United Kingdom Roadshow' in April 2023 and will share further details about their participation status with the project. It was decided during the meeting that IPA and PBIT teams will focus on developing a pipeline of investment ready projects to be collected from the private sector. PBIT also requested that IPA may provide technical assistance to make selected projects pitch ready and for providing capacity building/trainings to participating stakeholders to make them ready for investor engagements and conducting business-to-business meetings during the investment roadshow.

#### **Organization of Pakistani Entrepreneurs (OPEN)**

On January 13, 2023, IPA met with OPEN to introduce the project and identify potential areas of collaboration. The President of the Silicon Valley Chapter of OPEN highlighted their current initiatives where IPA could provide support. These include Open Startup Connect and the Trusted Partner Network Platform. As a way forward, it was decided that a follow-up meeting will be scheduled to chalk out an actionable way forward for the two organizations and reach an agreement on collaborative activities.

#### **Export Development Fund (EDF)**

IPA held a meeting with EDF on January 23, 2023, to introduce the project, its objectives, and workstreams and identify potential areas of collaborations. During the meeting, EDF proposed that a funding stream can be developed and EDF can support the IPA Fund to help firms which are directly contributing to exports. Moreover, IPA and EDF can support each other for outreach activities through their networks. EDF also proposed that IPA could support firms attending international trade expos with their marketing activities during the event, help them conduct B2B meetings, or provide them with technical training before the event. The project can also support EDF in any sort of reform or advocacy related activities if there is a requirement. Moving forward, the two entities will hold follow-up working level meetings to chalk out actionable activities where IPA and EDF could collaborate to meet mutual objectives.

### **Sustainable Development Policy Institute**

IPA met with SDPI on January 23, 2023, to introduce the project and learn about SDPI's work related to trade and investment. The SDPI team proposed a joint webinar with IPA for a discussion on Federal Board of Revenue of Pakistan's Resource and Revenue Mobilization Commission. SDPI also shared their relevant research papers/reports regarding enhancing competitiveness of women-in-trade, supporting export-sector SMEs, digital trade integration, and review of export development fund.

### **Code for Pakistan**

On January 27, 2023, IPA held a meeting with Code for Pakistan to introduce the project and discuss potential areas of collaborations. Code for Pakistan has established connections with Diaspora networks in the U.S. and can support IPA with outreach activities and the development of the opportunity pipeline by identifying potential investors interested in investing in Pakistan's Tech sector. Code for Pakistan partners with the government and advises both the public and private sectors on designing technology around our communities in order to improve the quality of life and increase access to government services across Pakistan.

### **Scale X**

IPA held an introductory meeting with Scale X on February 9, 2023, to discuss potential areas of collaboration. Scale X is a private accelerator for startups that provides strategy and growth services, pre-seed and seed capital, and global market access to emerging market founders. Scale X selects startup founders from Pakistan for their Bay Area program and helps them grow their startups globally against a 7-10% equity by taking them through an extensive bootcamp in the Silicon Valley to make them investment ready. Scale X will help IPA develop its opportunity pipeline and provide support in any capacity building initiatives.

### **The Boring Syndicate (TBS)**

The team met with TBS, an investment firm, on March 2, 2023, to discuss potential areas of collaboration. TBS provides services, pre-seed and seed capital, and global market access to emerging market founders. TBS will help IPA develop its opportunity pipeline and provide support in any capacity building initiatives.

### **Central Business District Punjab**

The team also held an introductory meeting with the Central Business District (CBD) Punjab on March 15, 2023, to introduce IPA and identify potential areas of collaboration. CBD Punjab is an authorized body incorporated to establish and promote environmentally friendly urban regeneration projects on vertical principles. The CBD team introduced their plans for the development of a central business district in Lahore, which is an attractive investment opportunity for international investors. Some of the projects in CBD have technical and financial feasibility studies available and are ready to be showcased to foreign investors. The CBD team will share more information about these projects which can be included in IPA's Pakistan Investment Pipeline and a follow-up meeting will be scheduled to discuss further details.

## **Sub-Objective 3.1: Trade and investment barriers facing U.S. and Pakistani firms decreased**

### **3.1.a. International certifications and standards for Pakistani export products increased**

During this reporting period, IPA's IP&T team held a series of meetings with TDAP to discuss the development of a collaborative model to assist Pakistani firms obtain international certifications. IPA was informed about TDAP's technical facilitation services to the private sector including research, sector studies and certifications, which could complement IPA's own planned activities. TDAP agreed to discuss the proposal with relevant departments within TDAP and then start working to develop this mechanism of providing certifications to firms. Subsequently, IPA shared with TDAP a list of applicants who had applied for IPA grants and had indicated that they required international certifications to increase their exports. Once TDAP approves the proposal, IPA will kickstart this activity during the next quarter.

Additionally, IPA is also gathering current certification requirements of firms who did not qualify for project grants (Round 1) through an online questionnaire. The project will share this information with the Export Development Fund (EDF). IPA is planning to collaborate with EDF to provide these firms with the required assistance in acquiring certifications which would lead to enhanced U.S.-Pakistan bilateral trade. The team also shared details of the project's Tech Transfer Grants with these firms to encourage them to apply for the grant and acquire certifications.

### 3.1.b. Support Ministry of Commerce in forming strategies to promote and increase US-Pakistan Bilateral Trade

IPA met with officials from the Trade Policy Wing of MOC to discuss the development of sector growth strategies for the Ministry. The team recommended three key sectors for developing the growth strategies (surgical instruments, sports goods, and cutlery) that have promising potential for enhancing U.S.-Pakistan bilateral trade. IPA identified these sectors based on recommendations given in its U.S.-Pakistan Trade Assessment report and meetings with chambers of commerce. These are high potential sectors that could play a key role in enhancing U.S.-Pakistan bilateral trade. MOC confirmed surgical instruments and the sports goods sectors after internal deliberations for this activity. IPA will develop these strategies with the lens of trade between U.S. and Pakistan, as the project's mandate is restricted to U.S.-Pakistan bilateral trade. These sectors will be analyzed as a whole, and further sub-sectors will be identified that are specific to the U.S. market. These strategies will also analyze the compliance requirements and binding regulations and protocols of the U.S. market for the selected sectors. MOC officials advised IPA to ensure that medical devices, access to Amazon, and MOC's 'Better Work Program' are duly covered in these sectoral strategies. They also suggested that IPA should interact with relevant Sector Specific Councils (SSC) at the Ministry, which can assist IPA to collect necessary information pertaining to these sectors.

IPA will schedule a meeting with SSC during the next reporting period and develop a SoW and recruit two consultants (for each sector) to formally initiate this activity.

### 3.1.c. Support BOI in execution of recommendations through the gap assessment to mobilize FDI in Pakistan

During this reporting period, IPA began gathering information and requirements for investment promotion systems being developed by the BOI. This activity also included an assessment of BOI's event management capacity to gather technical/operational requirements. This also entailed a detailed scoping exercise of existing selected systems and its processes, an analysis of international best practices where needed, and an analysis of existing information and processes already carried out in the light of their alignment with international best practices.

IPA onboarded an international consultant for this activity and was introduced to the BOI who apprised him of the requirements of the exercise and explained the investment promotion systems that were developed by BOI in detail to enable him to provide constructive and practical recommendations to further improve and operationalize these. A series of follow-up meetings were conducted with the BOI team to ensure that the assignment would fulfill BOI's requirements.

The IPA team worked with the consultant to develop a comprehensive assessment report that contains a diagnostic analysis and specific recommendations for each of the following sections:

- Marketing collateral and websites of BOI
- Investment Facilitation Center
- Electronic Regulatory Registry
- Projects Management Information System
- Investor Grievance Redressal System
- Capacity Building of Officers

IPA shared the assessment report with the BOI team for their review and feedback.

### **Updating BOI's Investment Guide**

IPA received a request for technical assistance from the BOI for updating their Investment Guide. Through this assignment, IPA will facilitate the Board to update and modify its existing Investment Guide by developing new content and making it more engaging and user-friendly to generate interest of the global investment community and provide them with a complete guide to current opportunities and conditions for investment in Pakistan. The specific objective of the assignment is to update and upgrade the existing Investment Guide by developing up-to-date content, including infographics/engaging visuals to communicate information and value proposition of investing in Pakistan in a concise and engaging manner and make it an effective and visually appealing investment promotion tool. The revised Investment Guide would generate the interest of the investment community and provide them with a complete guide that encompasses investment opportunities, investment-related legal and regulatory frameworks, and conditions for investment in Pakistan.

Following USAID's approval of the SOW for this assignment, the team initiated the recruitment process for two consultants – a researcher/content writer and a graphic designer.

### **BOI's project updating and appraisal activity**

IPA received another request from the BOI to evaluate, updating, and appraise projects identified by the Board to develop a pipeline of investment ready projects that can be showcased in relevant investment attraction and promotion activities carried out by the BOI in collaboration with its public and private sector partners. Following USAID's approval of the SOW for this assignment, IPA initiated the recruitment process and shared a list of top candidates with the BOI for their feedback on the selected candidates. Once the consultants are on board, IPA will initiate this activity during the next quarter.

### **Sub-Objective 3.2: U.S. government tools to help advance U.S. – Pakistan trade and investment applied**

#### 3.2.a. Promote mentoring programs by large U.S. firms for Pakistani SMEs and entrepreneurs, using existing programs

### **Concept note for installation of scanners at Karachi Port**

Based on IPA's recent interactions with private sector firms and the Pakistan International Freight Forwarders Association, the project identified the need for installation of scanners on other ports of Karachi to overcome the congestion at Port Qasim (the only port in Karachi which has scanners for the US export cargo). IPA found this to be a major barrier in U.S.-Pakistan bilateral trade. To address this challenge, IPA is developing a concept note for sending proposals to the Pakistani and the U.S governments for the installation of scanners at the Karachi Port.

## **Objective 4: Mobilization of FDI and U.S.-Pakistan Bilateral Trade and Investment Enhanced**

### **Sub-objective 4.1: Pakistan-U.S. Business Partnerships Facilitated**

#### 4.1.a. Support Pakistani firms to scale-up trade on Amazon through capacity building.

IPA participated in the Her Hunar Exhibition organized by TDAP on March 4-5, 2023, in Islamabad. The purpose of the event was to support and showcase women-led businesses hailing from the Northern areas of Pakistan. IPA set up a booth at the event to engage with women-led businesses and identify those that are exporting to the U.S. During the two-day event, the team networked with promising Pakistani women-led businesses that could benefit from IPA's technical support and gathered their details to augment its database. IPA will support selected women-led businesses through technical trainings to enhance their capacity to export to the U.S. market, especially through e-commerce platforms.

The team has also developed a concept note for participating in TEXPO Exhibition to be held in May 2023 in Karachi. This is the largest textile expo in Pakistan, which brings together international buyers and Pakistani textile firms. By participating in the event, IPA will identify and shortlist firms that are exporting to the U.S via e-commerce platforms so that it can provide them with technical trainings on how they can scale-up their trade through these platforms.

#### 4.1.b. Preparation of pipeline of investment ready projects and identification of potential investors and firms

During this reporting period, IPA worked with an international trade and investment promotion expert to design the "IPA Pakistan Investment Pipeline", which will consist of investment ready projects that are looking for prospective sources of international investment. The objective of this program is to facilitate the matchmaking of investment-ready Pakistani companies/projects with international investors who are looking to invest in innovative ideas to maximize returns. IPA will facilitate companies that become part of this pipeline by providing them with transaction advisory services through Delphos (IPA's subcontractor), build their capacity to ensure their market preparedness, showcase these investment projects on international platforms and/or investment promotion roadshows, provide technical trainings to enable them to deliver impact-oriented pitches to investors, facilitate one-one-one meetings with investors, and provide maximum support and visibility from IPA's public and private sector partners.

The team is working with an international trade and investment promotion expert to design a complete mechanism of building this pipeline. IPA has developed a program statement that encapsulates the entire program and its process, a detailed online application form for interested

firms to register, and an evaluation criterion to define the parameters against which each project will be evaluated and ranked. IPA is finalizing the documents for this activity and will also develop a brochure to advertise the program on social media and through its outreach partners. The team is also planning to carry out an outreach activity that involves visiting incubator centers, business chambers, and other key members of the business community in major cities of Pakistan to gain maximum traction and visibility and attract a diverse range of investment projects to the pipeline.

In parallel, the team is also developing an investor database through multiple sources. IPA's consultant has started working on developing this database and drafting an investor engagement plan which will include guidelines on how to approach investors and facilitate their interactions with the projects in the pipeline. Furthermore, the project has also engaged two additional consultants for the investor-investee matchmaking activity that will also work in coordination to expand this investor database, make selected Pakistani firms' investor ready, and ensure targeted investor-investee engagements. Moreover, the team has identified investors through participation in international and local events such as Unconference 2023 and Future Fest 2023, which have been included in this database.

#### **Sub-objective 4.2: Trade and Investment Transactions/Deals Facilitated**

##### 4.2.a. Participation in international investment promotion event(s) to facilitate potential matchmaking of Pakistani firms with international investors.

#### **Paklaunch Unconference 2023**

On January 25-27, 2023, IPA participated in the Paklaunch Unconference held in Dubai. Aside from being a platinum sponsor for the overall event, the project also sponsored the participation fee of eight Pakistani firms. These firms had several engagements with over 90 international investors from over 15 countries at the event. 'Co-natural', one of the eight IPA sponsored firms progressed into a new investment round and other firms are also hopeful of raising additional capital because of engagements with investors. The conference also provided an opportunity to introduce IPA's initiatives to promote international investments for Pakistan's private sector. The IPA team highlighted the project's risk assessments and on-ground due diligence of firms, which investors can rely on for any future investments that they make in the country. IPA also held discussions with Amazon Web Services, who expressed interest in partnering with the project to provide webhosting credits to IPA Fund grantees and organizations in the project's investment opportunity pipeline. As a follow-up to this conference, the team is collecting post-event data regarding one-on-one meetings of IPA-sponsored firms with investors and potential investment deals that may have materialized. As a next step, IPA will also start follow-up engagements with investors and companies that the team interacted with during the event for developing IPA's opportunity pipeline and investor database and facilitating matchmaking and other investment promotion activities.

#### **Future Fest 2023**

Future Fest is Pakistan's largest tech conference and expo, which Ejad Labs organized on January 5-8, 2023, in Lahore. The three-day event had over 50,000 attendees, 300 partners, 200 exhibitors, 500 speakers, 500 startups, guests from over 30 countries, 50 investors, and 100+ media professionals. There were 95 stalls setup by Pakistani and foreign firms with a lot of participation from relevant government and private sector organizations such as Punjab Information Technology Board (PITB), Punjab Board of Investment and Trade (PBIT), and Organization of Pakistani Entrepreneurs Network (OPEN).



The main purpose for IPA to attend the event was to carry out extensive risk assessment and on-ground due diligence for co-participating or co-sponsoring such events in the future so that the effectiveness of such an event in contributing towards increased investment in Pakistan could be assessed. The assessment included the investor's participation and their engagement with the local businesses, especially in terms of carrying out investment deals. Additionally, the assessment also included developing recommendations for IPA's collaboration with Future Fest on similar events to support investor-investee matchmaking. IPA was also able to develop connections with international investors and promising Pakistani tech companies that can be included in IPA's investor database and investment pipeline respectively.

The CEO of the Future Fest also identified the opportunity of collaboration with IPA to provide capacity building support to Pakistani firms participating in the Pak-Tech U.S. Exchange Event scheduled to be held on April 10-25, 2022, in the Silicon Valley, USA, for which its parent company (Ejad Labs) is facilitating participation of 30 Pakistan firms.

### **Game Developers Conference (GDC)**

Given IPA's focus on increasing FDI and U.S.-Pakistan bilateral trade (especially for the Information Technology sector) and to further cement the California-Punjab Sister Province/State initiative signed in January 2023, and given the potential of Pakistan's gaming industry, the project collaborated with the Pakistan Software Houses Association (P@SHA) to sponsor the first-ever 'Pakistan Pavilion' at the GDC in San Francisco, where over 35 Pakistani game developers (please see annex 1) were able to showcase their products to international customers/potential clients and develop partnerships. The Pakistan Pavilion received a tremendous footfall during the GDC Expo, where for the first time, all Pakistani game developers collectively represented Pakistan's gaming industry and the tremendous potential it has for developing world-class games. The Pakistan Pavilion was one of the few country pavilions at the GDC.

During the first day of the GDC Expo, the US Consul General (CG) for Lahore, William Makaneole along with Pakistan's Consul General in Los Angeles, Asim Ali Khan inaugurated the Pakistan Pavilion. CG Makaneole also formally launched IPA's Green Alliance Gaming Challenge Awards. California State Representative Chris Holden's video message was also played at the event since he could not attend in person due to prior commitments.

The global game industry's premier event saw more than 28,000 registered attendees and featured over 1,000 speakers and 700 sessions, workshops, roundtable discussions, and networking opportunities. More than 300 exhibitors displayed the latest technologies, programs, and services, including industry leaders like Meta, Amazon Web Services, Google, and many more. The workshops and sessions featured some of the biggest names in the games and entertainment industry.

### **Concept note to conduct investment promotion roadshows in the U.S.**

The IPA team has developed a detailed concept note for organizing investment promotion roadshows in the U.S. to showcase the investment potential of Pakistani companies and fostering their connections with U.S.-based investors. The concept note contains the detailed process of organizing the event including shortlisting and selecting Pakistani firms that can be promoted at the roadshows, an investor outreach strategy to engage investors to attend and meet with the companies at the event, the list of collaborating partners and their roles and responsibilities, matchmaking activities, event format, potential locations and other travel and logistical details. A detailed Gantt chart and budget has also been prepared. The team gave a presentation of the concept

note to USAID to solicit feedback. Based on suggestions received, IPA will submit a revised version of the concept note to USAID for approval early next quarter.

#### 4.2.b. Support potential matchmaking of Pakistani firms with special focus on ICT and Manufacturing (Textile) sectors with international investors, VCs, and Pakistani diaspora in U.S

IPA initiated the recruitment process of two experts during this reporting period to carry out Investor-Investee matchmaking by developing:

- A pipeline of investment ready projects prioritizing sustainable investments and their alignment with Environmental, Social, and Governance (ESG) targets and Sustainable Development Goals (SDG)
- A relevant investor database focused towards enabling local investment to mobilize FDI in Pakistan through ensuring targeted investor engagements while providing assistance/transaction advisory for successful FDI deals.

Under this activity, the consultants will identify and select projects in IPA's priority sectors with a special focus on ICT and Manufacturing sectors that represent high chances of efficiency and trade-related investments. IPA will evaluate the projects in terms of availability of information necessary for investment promotion and suitability/probability to raise local and/or foreign investments, perform project appraisal of the shortlisted projects, rank all projects on a number of important parameters to determine level of effort to engage investors, identify foreign investors/U. S-based investors, ensure engagements while providing transaction advisory to investors/investee, and execute at least 300 investor-investee meetings for achieving high probability for successful FDI deal completion. This activity is the next step to the Pakistan Investment Pipeline activity, and both will work in tandem to build a pipeline of projects and investors, prepare these projects to become investor ready, and match them with targeted investors to facilitate one-on-one meetings between them and lead to successful FDI deals.

#### **Sub task order of Delphos**

IPA successfully finalized the second sub task order (STO) of IPA's subcontractor, Delphos, after a round of engagements. Based on the STO, Delphos will support IPA to raise inward investment in Pakistan by attracting investors, assisting their entry and establishment in the country, securing their retention, and fostering links internally. The STO sets out the technical approach and associated costs for investment matchmaking services with a key goal of raising capital for a select number of Pakistani companies from IPA's investment opportunity pipeline. This approach includes selection and screening of companies and taking them through capital raising phases which include engagement, market preparation, market engagement, execution deal structuring and closing. The team has shared a list of firms who are part of IPA's opportunity pipeline with Delphos and the team is in contact with Delphos for the next steps.

## Investment Promotion Activity Fund

### Green Alliance: Gaming Challenge Awards

During this reporting period, IPA launched a new round of awards – the Green Alliance Gaming Challenge Awards. IPA will award grants to Pakistani game developers for developing games on different platforms (including but not limited to mobile phone operating systems) that will help create awareness about climate change, promote steps that can be taken to help mitigate challenges related to climate change, and highlight its effects on Pakistan and the world. These games will also be used to inspire people to act by showing them the positive impacts of their actions and encouraging them to advocate for policies that support sustainability. Games developed through these awards are expected to be relevant to not only Pakistan, but also the U.S. and other international markets. They will help increase IT exports from Pakistan, as well as present investment opportunities for international investors to invest in the mobile gaming companies that developed game through these grants.

The role of awareness raising in climate change adaptation is crucial to managing the impacts of climate change, enhancing adaptive capacity, and reducing overall vulnerabilities. Since Pakistan is a growing market for mobile games (generating US \$ 40-50 million in 2022) and hosts more than 30,000 developers with more than 300 game development studios, mobile games can prove to be a highly engaging and effective medium to raise awareness on climate change. As is the case with all IPA Fund Grants, the project will encourage women-owned/led enterprises to apply. IPA anticipates awarding a total of three grants. While each grant award may range up to PKR equivalent of USD 100,000, the final amount will be dependent upon grant activities and final negotiation and may be lower than this amount.

Following the formal launch of the Green Alliance Gaming Challenge Award at the Game Developers Conference in San Francisco, on March 26, 2023, IPA published a newspaper advertisement in the national edition DAWN newspaper and on social media platforms of USAID and partners, requesting applications. The deadline for application submissions is May 31, 2023.

### Tech Transfer Grants

***Pre-application Orientation Sessions:*** In response to IPA’s solicitation for Tech Transfer Grants during the previous reporting period, a total of 1,429 individuals registered for the project’s pre-application grant orientation sessions. Subsequently, IPA organized six additional pre-application orientation sessions this quarter in Karachi and Islamabad, which a total of 128 individuals (including 36 women) attended. During these sessions, potential grants applicants were provided detailed information related to the eligibility criteria and templates mentioned in the solicitation of the Tech Transfer Grants.

***Initial Screening of Applications:*** IPA received a total of 58 applications against the cutoff date of March 15, 2023, under the first batch. The project logged and reviewed these applications against a pre-defined eligibility criteria that was part of the annual program statement (APS) document. IPA team requested 10 eligible potential grant applicants to submit additional documents to validate their existing or confirmed potential trade with the U.S. As a result, the team marked 15 applications as eligible and shared them with the technical evaluator for desktop review and scoring based on a pre-defined evaluation criterion.

**Technical Evaluation Meeting:** Following the desktop review of 15 eligible applications, IPA carried out a technical evaluation meeting on March 29, 2023, to deliberate and discuss the scores allotted by the evaluator. Following the evaluations, the top five ranked applicants were shortlisted for delivering pitch presentations – scheduled for the next quarter.

U.S.-Pakistan Trade (USPT) and FDI Grants

**Pre-award Risk Assessments:** During this reporting period, IPA carried out pre-award risk assessments of 11 applicants based in Lahore, Karachi, and Peshawar - namely Super Bird, Shams Power, Trukkr Pvt Ltd, Prime Genetics Pvt Ltd, Ricult Pakistan Pvt Ltd, Mega Green, Naeem Enterprises, Sehat Kahani, FF Steel Pvt Ltd, Komax Pvt Ltd, and Ensmile Ltd. During these assessments, the team reviewed their organizational, technical, and financial capacities, internal controls, and systems, and carried out budget negotiations with the applicants. This was followed by three site verification visits in Lahore and Chakwal for Frontier Foundry Steel (Pvt) Limited, Prime Genetics Pvt Ltd, and Mega Green.

Three applicants including Shams Power, Super Bird and Ricult Pakistan voluntarily withdrew their grant applications from further processing. Based on the pre-award assessment, Prime Genetics was not recommended for further grant award process.

**Grant Approval Packages:** Based on the assessments, the team drafted 10 grant approval packages for - Butt Footwear, Dekalb Trade Voice, Walee Technologies, Trukkr, Mega Green, Naeem Enterprises, Sehat Kahani, FF Steel, Komax, and Ensmile. IPA received vetting clearances for Butt Footwear and Dekalb Trade Voice on February 22 and 23, 2023 respectively. IPA submitted their grant packages to USAID for approval and received approval on March 8, 2023

Later in March 2023, IPA received two additional vetting clearances for Walee Technologies and Naeem Enterprise. IPA subsequently submitted these grant packages to USAID for approval on March 29, 2023.

**Grant Award:** IPA received approvals on two grant packages for Dekalb Trade Voice and Butt Footwear from USAID on March 8, 2023. The project executed grant agreements and the grantees initiated their grant activities as per the approved budget and timelines after grant kick off meeting in which the grantees were oriented on grant implementation guidelines.

**Grants Implementation – Round 1 – USPT and FDI Grants:** Table 1 below provides a summary of the implementation status of active IPA Fund grants from Round 1 of USPT and FDI Grants.

Table 1: IPA Fund Grants Implementation Status

S. No	Grantee Name	Progress
1.	Dekalb Trade Voice	Grantee specializes in manufacturing safety products including gloves and apparel with specialized features such as flame resistance, and arc rating (a measure of fabric's energy absorption capacity to prevent second- or third-degree burns). Through the IPA grant, the grantee will establish an in-house testing facility and engage international consultants to improve product design and development. This will facilitate the grantee to enhance its U.S.-Pakistan trade orders.
2.	Butt Footwear	Grantee manufactures a diverse range of products, including sportswear, office table accessories, leather products, and various types of footwear,

		such as fashion shoes. Through the grant, Butt footwear will develop a specialized sole production unit that will enable them to fulfil demand of their U.S.-based clients for supply of light weight shoes that are manufactured with specialized soles.
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## 4. IMPLEMENTATION CHALLENGES

Table 1: Summary of implementation challenges and actions undertaken

Implementation Challenge	Summary of Issue and its Impact on Interventions	Actions Taken During Reporting Period	Current Status	Actions Planned	Responsible Party
<b>New challenges during this quarter</b>					
Delay in technical activities due to limited 'quality' expertise in the market	Investment and trade are two specialized areas and very limited work has been done in these areas in the past. As IPA activities are innovatively designed, the project faced challenges to recruit experienced consultants for various positions, which led to delay in timelines of various interventions.	IPA continuously analyzed applicants and interviewed candidates on a rolling basis. For various positions, the project re-advertised positions and headhunted candidates. Similarly, the team developed a tentative list of experts with the required expertise to ensure timely recruitment.	Recruitment for most planned activities completed and experts on-boarded.	The technical team has given advance notice and lead time to its subcontractor with details on the kind of expertise that will need to be engaged in the future.	IPA Team
Continued challenges of macroeconomic instability will affect project targets, especially on FDI	Investment and trade are two key target and impact areas for IPA and the prevailing macroeconomic challenges like trade deficits, exchange rate fluctuations, increasing interest rates, and rising inflation will directly affect investment and trade related efforts. Similarly, a staff-level agreement between Pakistan and the International Monetary Fund (IMF) is still pending, causing an uncertain environment for investors.	IPA continuously analyzes the impacts of such challenges on its planned activities and targets. In this regard, the project completed a political economy analysis to understand the effects of such challenges. Similarly, IPA also held consultations with key private bodies like ABC and OICCI to identify their perspective and discussed with relevant government bodies like SBP and TDAP to explore solutions.	IPA keeps itself abreast of such macroeconomic challenges and their possible effects on activities and targets.	As a result of economic downturn, the government is prioritizing quick wins to stabilize the economy for which IPA will continuously engage with key stakeholders for implementation of associated reforms that will assist in investment attraction and boost bilateral trade between U.S. and Pakistan.	IPA Team

Implementation Challenge	Summary of Issue and its Impact on Interventions	Actions Taken During Reporting Period	Current Status	Actions Planned	Responsible Party
<p>International Development Performance and Outlook will also reduce FDI and U.S - Pakistan Trade prospects for Pakistan, which is a key focus area of IPA.</p>	<p>According to Global Economic Prospects 2023, global growth in 2023 is expected to contract to 1.7 percent from the previous forecasts of 3.0 percent, reflecting synchronous policy tightening aimed at containing very high inflation, worsening financial conditions, and continued disruptions from Russia-Ukraine conflict. The sharp downturn in growth is expected to be widespread, with forecasts in 2023 revised down for 95 percent of advanced economies and nearly 70 percent of emerging market and developing economies. Such international challenges will reduce FDI prospects for Pakistan.</p>	<p>IPA has been exploring innovative approaches to bring in FDI. One is promoting DFC debt and equity financing for the private sector. Secondly, exploring emerging opportunities in sectors. One key example of this is Game Development Conference where IPA facilitated enterprises to promote untapped potential of gaming industry in Pakistan in front of foreign investors.</p>	<p>The international performance and economic outlook are still unstable. IPA is exploring innovative and workable solutions considering.</p>	<p>Identifying and participating in national and international events/conferences to promote Pakistan as an investment destination and facilitate participation of potential businesses.</p>	<p>IPA team</p>
<p>Delayed responses from government departments are causing delays in IPA's activities.</p>	<p>IPA has to develop sectoral strategies for the Ministry of Commerce, and an SOP with TDAP for providing assistance in acquiring international certifications. There are different wings, provincial government offices, and councils involved in the approval process of</p>	<p>IPA followed up with the relevant government departments to minimize these delays and to complete the activities well in time.</p>	<p>The team is taking up the matter with relevant government officials and waiting for their response.</p>	<p>IPA will continue its communication with the appointed focal persons from each government department and maintain close coordination with them to prevent any roadblocks.</p>	<p>IPA Team</p>

Implementation Challenge	Summary of Issue and its Impact on Interventions	Actions Taken During Reporting Period	Current Status	Actions Planned	Responsible Party
	each activity. Due to these procedural delays, activities are taking a longer time to start than originally planned.				
Official restrictions on dollar outflows amid low foreign exchange reserves are creating problems for multinational corporations.	The latest economic downswing has produced challenges for foreign companies operating in Pakistan such as inability to send dividends to their overseas shareholders, unprecedented currency depreciation is rapidly eroding the value of their unpaid dividends, and inability to import raw materials which has put their business continuity at stake. Such challenges directly affect IPA's FDI raising efforts.	The team held a meeting with the State Bank of Pakistan (SBP) to highlight the issue and inquire about its response towards the profit repatriation issue faced by the private sector and learned about the regulatory changes that were in place to address this issue.	The team is seeking ways to circumvent this issue by engaging with public and private sector stakeholders.	IPA will actively seek avenues to highlight the issue and maintain contact with SBP to learn of any developments.	IPA Team
Significant delays in getting vetting clearances from Pakistan Vetting Support Unit (VSU).	The project is facing several challenges related to the vetting process for potential sub-awardees. Firstly, there have been instances where vetting requests submitted in late December 2022 have taken a significant amount of time to process, with some requests remaining unresolved until late February 2023. Additionally, the vetting clearances	A continuous follow up with VSU/USAID	Six vetting approvals (Trukkr Pvt Ltd, Mega Green, Community Innovation Hub Pvt Ltd, FF Steel Pvt Ltd, Komax Pvt Ltd and Ensmile Ltd) are still pending for clearance.	Continued follow-up and quick response to the queries received from VSU.	IPA Team



Implementation Challenge	Summary of Issue and its Impact on Interventions	Actions Taken During Reporting Period	Current Status	Actions Planned	Responsible Party
	<p>for six potential sub-awardees are still pending. These delays are not only impacting the timely award of grants but also adversely affecting the project's spending projections. Furthermore, this issue poses a reputational risk for USAID, and it is likely to cause further delays in the implementation timelines proposed in the Year 2 work plan. This situation requires careful management and mitigation to ensure that the project progresses as planned, and its goals are achieved within the expected timeframe.</p>				
<p>Delay in receiving Unique Entity Identifier (UEI) numbers from SAM for grant applicants.</p>	<p>UEI number is one of the mandatory requirements before awarding a grant. Grantees applied for UEI number as per the guidance provided by IPA fund team but there were significant delays in receiving UEI number by SAM. The approval packages were not finalized till the allocation of UEI number in February 2023.</p>	<p>Potential grantees were oriented on a case-to-case basis for resolving queries and incidents that were created by SAM.gov. This assisted them in acquiring UEI in an efficient manner during the reporting period.</p>	<p>UEI number were allocated by SAM for 10 potential grantees.</p>	<p>None</p>	<p>IPA Team</p>

Implementation Challenge	Summary of Issue and its Impact on Interventions	Actions Taken During Reporting Period	Current Status	Actions Planned	Responsible Party
<p>Potential delays are anticipated in import of budgeted items due to restrictions on imports imposed by the Government of Pakistan.</p>	<p>The project's grantees are anticipated to face challenges related to delays in importing raw material/ budgeted items because of restrictions on opening of letter of credit (LC) by SBP. This issue may cause delays in grant implementation timelines proposed in the Year 2 work plan.</p>	<p>IPA team is in close contact with importers and commercial banks and is monitoring how they are overcoming this challenge.</p>	<p>SBP has provided flexibility on opening of LCs in a recent notification in which priority for opening of LCs is to be given to export oriented companies and a couple of priority sectors marked by the government. Grantees are coordinating and putting efforts to manage opening of LC where applicable.</p>	<p>IPA Fund has incorporated this in grantee's implementation plan as a key factor to monitor and report.</p>	<p>IPA Team</p>

## 5. ACTIVITY MONITORING, EVALUATION AND LEARNING PLAN (AMELP) UPDATES

During this reporting quarter, IPA's Monitoring, Evaluation, and Learning (MEL) team continued to provide technical and hands-on support to project workstreams, as well as implementing MEL activities as per the USAID-approved workplan. The progress against MEL workplan activities is as follows:

### Performance Monitoring

During this reporting quarter, progress data was reported by 27 businesses/firms, who received 'matchmaking' support. These firms were selected based upon their reports related to one-on-one meetings, number/value of business enquiries, which are attributable to IPA. The data collected from these businesses reported 197 one-on-one meetings with investors from both the U.S. and other countries. During these meetings, a total of 12 business (trade-related) enquiries were made with a total value of US \$ 6.9 million.

### AMELP Revision

During this reporting period, IPA revised the AMELP and received USAID's approval. The team modified/broadened the scope and added additional details to 12 performance indicators. Baseline values were established against six performance indicators, which were marked as 'to be decided' in version 1.

### Baseline Study (Investor Perception Survey)

A survey was proposed in the previous version of the AMELP to gauge the perception of investors for establishing the baseline values against two outcome indicators i.e., "*Ind 1.2a / 2.1b: Percentage of investors reporting improvement in the quality and timeliness of BOI as a result of USG assistance*" and "*Ind 2a: Percent of investors reporting increased satisfaction with government regulations*". This required a dedicated survey to be conducted, with a comprehensive database of investors, who are also willing to respond to IPA's data collection tools. Since IPA interacted with a small number of investors, the project utilized OICCI's Investment and Perception Survey to establish a baseline for Indicators 1.2a/2.1b and 2a. This survey is carried out every two years and the survey parameters/indicators completely cover IPA's baseline data requirements for two related indicators. This was approved as part of USAID's approval of the project's AMELP.

### Context Monitoring Indicators

IPA has identified two context indicators and added both to the revised and approved version of the AMELP document. The frequency of reporting is on an annual basis. The MEL team will regularly monitor changes in context indicators and add details within the quarterly/annual reports.

The first context indicator is on monitoring of GDP growth. The GDP growth rate is an indicator to assess the health of an economy. Pakistan's economic growth is expected to slow significantly in FY2023 in wake of last year's devastating floods, ballooning inflation, current account deficit, and an ongoing foreign exchange crisis. Pakistan's gross domestic product (GDP) growth is projected to slow to 0.6% in FY2023 from 6% last fiscal year, as the economy struggles to recover.

The second indicator that directly impacts exports and the fiscal policy is the rupee exchange rate. During this quarter, the exchange rate changed drastically and moved between PKR 260 to PKR

290 against USD. This had an overall negative impact on the export-oriented businesses, but specifically led to restrictions on and opening Letters of Credit (LCs).

**Mobile Data Collection Tools (SurveyCTO)**

During this reporting period, the team implemented SurveyCTO – an online/offline mobile data collection tool – to help IPA workstreams retrieve complex and accurate information from businesses and beneficiaries for effective implementation of activities. The tool increases productivity by removing burdensome efforts, such as manual checking of eligibility of applications, follow-ups via emails for required documents etc. Moreover, IPA will also use this tool to collect more accurate and timely data from IPA beneficiaries.

## 6. INTEGRATION OF CROSS-CUTTING ISSUES AND USAID INITIATIVES

### **Gender, Youth and Social Inclusion**

During this reporting quarter, IPA's Gender Focal person coordinated efforts for implementation of the project's Gender Action Plan (GAP) and designing Gender Equality and Social Inclusion (GESI) sensitive activities. Given that the project has been assigned gender related targets for each year of implementation, IPA intends to engage a Gender Expert to support the project team in designing a generic and customized training module on Gender Equality and Female Empowerment. IPA will use this training module to build awareness with relevant public and private sector entities in the investment promotion space around GESI, female empowerment practices, and sustainability reporting based on ESG framework relevant for IPA grantees. The basic aim is to complement IPA's efforts through a gender responsive lens so that socially responsive initiatives can be undertaken and participation of women and other underrepresented/marginalized groups in the national economy can be promoted. IPA developed and finalized a SOW for this activity during this reporting period and will submit it to USAID for approval during the next quarter. Once the SOW is approved, IPA will initiate this activity and recruit a gender expert who will conduct these trainings in the remaining two quarters of the year.

IPA continued engagements with the International Trade Centre's 'SheTrades' initiative that supports women economic empowerment through trade. The initiative is supported by the SheTrades.com platform, which is a United Nations public good, digital, and one-stop-shop for women entrepreneurs looking to scale their business, expand their international networks, and take their skills and knowledge to the next level. The project facilitates the connection of capital providers with women seeking funding and SMEs supporting women, while promoting the mainstream of gender-lens investment and building capacity of women entrepreneurs to become investment and due diligence ready. The IPA team held a series of follow-up meetings with SheTrades to discuss activities that can benefit women-led/owned businesses from Pakistan as identified by the project with the help of SheTrades. IPA has developed its profile on the SheTrades Invest online platform which will be visible to SheTrades members from across the world. A representative from SheTrades will give IPA's focal person training on how to review data and interactions between companies that have been onboarded by IPA. Furthermore, IPA and SheTrades have agreed to organize a joint webinar/training for women-led businesses from IPA's opportunity pipeline to inform them about SheTrades, their capacity building courses, and online matchmaking tools. These companies will be trained on how to register themselves on the portal and how to access the different tools available on the website to identify, interact, and connect with international investors and buyers from across the world.

### **IPA's participation in "Building a Gender-Inclusive Digital Economy in South Asia: A Path to Women's Empowerment" conference.**

On March 8, 2023, the South Asian Association for Regional Cooperation (SAARC) Chamber of Commerce and Industry (CCI) organized the subject conference in Islamabad and invited the IPA team based on its previous interactions with representatives of various women chambers of commerce as part of consultations for development of IPA's Gender Action Plan. SAARC organized the conference to commemorate the International Women's Day and engaged many policymakers, businesses, and civil society organizations to come together to advance the cause of women's empowerment and to drive progress in areas such as digital capacity building, economic inclusion, and access to markets. IPA's participation in the event helped to understand critical

issues of women businesses and the efforts of various stakeholders regarding women's inclusion to the economy, which was discussed during panel discussions. During the event, IPA also developed linkages with women businesses to effectively engage them in future policy related dialogues and capacity building activities. The SAARC CCI team also shared its various initiatives related to investment promotion and trade enhancement and suggested having a separate interaction with IPA to discuss potential areas of collaboration which will be planned in the next quarter.

### Cross-Workstream Collaboration

#### **Investment Promotion and Trade Enhancement Advisory Group**

As part of its Year 2 workplan, the IPA team held the first meeting of the IPTE Advisory Group on March 16, 2023, in Islamabad. The goal of the IPTE Advisory Group is to have thought leaders and industry experts from the public and private sectors engage in regular dialogue, exchange ideas, knowledge, experiences, and information on sectoral and investment related challenges. Based on interactions and inputs from this group, IPA will propose actionable advice and relevant interventions to achieve its objectives. A total of 15 members attended, which included senior representatives from prominent public and private sector organizations such as BOI, Competition Commission of Pakistan, Trade Dispute Resolution Organization, DeoSai Ventures, Fatima Group, Code for Pakistan, Sustainable Development Policy Institute, Cupola Pakistan, Overseas Investors Chambers of Commerce and Industry and TDAP. IPA identified the members at the beginning of the quarter and were sent membership letters along with the terms of reference for acceptance. The team ensured that the group has representation from key organizations working on investment and trade in Pakistan along with representatives from investors and the private sector through which a dialogue could be initiated between the members on possible reforms. The first meeting served to introduce the members to IPA's mandate and its workstreams and included an interactive dialogue between the members on key issues affecting Pakistan's investment climate today and possible areas of focus including the game industry, IT services, and agri-business sectors. Some key discussion points included looking at data for sectors that have benefited because of the depreciation of the Pakistani rupee and looking at how these sectors can be supported to increase exports. Another pertinent point highlighted was the possibility of partnering with Pakistan Post as a key stakeholder from the logistics perspective, as they can also process payments. As an addition to the discussion on logistics, the members discussed that since it is expensive for smaller companies to export orders through DHL and Fedex, a common warehousing solution can also be explored with the Government which caters to smaller companies which face issues in sending orders abroad due to lower volumes. From the investor perspective, one of the representatives from a venture capital company stated that more than 80% of the companies that venture capital funds evaluate in Pakistan need working capital and scale-up capital. Hence, a mechanism should be devised to provide these companies with access to working capital, so they are able to grow and attract further investment in the long run.

## 7. LESSONS LEARNED

Based on earlier learnings and successes, IPA continued to suggest and encourage formal institutionalization arrangements at key ministries of the Government of Pakistan in the form of ‘Steering Committees’. Such committees not only provide platforms for regular dialogue in a well-coordinated manner, but also help build partnerships with various decisions makers within the government to achieve common goals/objectives. Given that the Ministry of Commerce is IPA’s key partner for investment, commerce, and trade related initiatives, based on IPA’s suggestion, the Ministry notified a Steering Committee with key high-level officials including Additional Secretary (Trade Policy), Director General (Trade Policy), and Joint Secretary. This forum will now be used for active coordination and implementation of decisions.

During this quarter, IPA realized that developing engagement plans that lay out potential areas of collaboration help manage expectations of partners and help collaborating parties to move in a synergistic and focused manner towards a certain goal. These engagement plans are developed based on collective mandates/objectives, interactions with relevant counterparts, cross workstream brainstorming sessions, and analysis of proposed technical assistance areas that can be executed as part of IPA’s objectives. The project developed such an engagement plan for TDAP and ensured assigning focal persons from both sides to facilitate coordination and ensure effective follow-up of tasks. Also, where such formal arrangements were difficult to establish or were time consuming, IPA initiated the practice of holding fortnightly progress update meetings such as with the BOI. This helped identify new areas of technical support, track progress on on-going activities, and be informed about plans. Such practices ensure broader ownership, help to develop strong networks, and identify sustainable solutions.

Furthermore, IPA has also realized that various international investment promotion events like the Game Developers Conference in San Francisco and the Unconference 2023 in Dubai, serve as effective platforms to support potential matchmaking of Pakistani firms with U.S. and global investors and can help stimulate U.S. and other international investments into Pakistani firms. By participating in these events, IPA has learned that international investors are still interested in investing in emerging markets like Pakistan - given the high risk/high returns. IPA will continue to explore facilitating the participating of Pakistani firms in such events.

## **8. PLANNED INTERVENTIONS FOR NEXT QUARTER, INCLUDING UPCOMING EVENTS**

### **Workstream 1: Business Enabling Environment Technical Activities**

- Complete technical assistance to BOI for rollout of the PRMI through simplification of regulatory reforms in priority sectors.
- Develop a roadmap for TDRO for effective international trade dispute resolution under the Trade Dispute Resolution Bill 2022.
- Provide technical assistance to the BOI for the roll-out of the new Investment Policy 2022.
- Complete the Trade and Investment Promotion Strategy for the Government of Punjab.
- Complete the final report on Review and Modifications in the PPP Legal and Institutional Framework for the PPP Unit, Finance Department, Government of Sindh.
- Develop an analytical capacity review report on priority sectors at BOI and provincial boards.
- Complete market assessment report on capacity building for the ICT sector on investment readiness.
- Continue engagement with private sector stakeholders to chalk out and assess demand-driven policy, regulatory, and institutional interventions.
- Design trainings on gender equality and female empowerment.
- Design export readiness trainings for export-oriented or ready to export women-led businesses in collaboration with TDAP.

### **Workstream 2: U.S.-Pakistan Foreign Direct Investment (FDI), Trade & Investment Promotion**

- Launch the Pakistan Investment Pipeline activity and develop investor outreach strategy in coordination with IPA's international consultant.
- Initiate the development of a pipeline of investment ready projects, obtain their information, and initiate their evaluation process.
- Carry out investor-investee matchmaking and execute one-on-one meetings to facilitate FDI deal closures.
- Conduct joint virtual session with SheTrades for Pakistani women-led businesses to support them to gain access to their online portal and connect them with investors from around the world.
- Support potential matchmaking of Pakistani firms with a special focus on ICT and Manufacturing (Textile) sectors with international investors and VCs, especially those in the U.S.
- Initiate work on updating BOI's Investment Guide.
- Support private sector Pakistani firms to acquire international standards/certifications/accreditations to increase U.S.-Pakistan bilateral trade in collaboration with TDAP.
- Develop SOW with Ministry of Commerce and recruit consultant(s) to develop sectoral strategies to promote and increase U.S.-Pakistan bilateral trade.
- Implement activities as per the approved SOW and develop detailed task order based on the findings and recommendations of IPA's local and international consultants.

### **IPA Fund**

- Organize pitch sessions for IPA's Tech Transfer Grants (April 2023).



- Carry out pre-award risk assessments for the first round of Tech Transfer Grants (April/May 2023).
- Submit grant packages for six applicants to USAID for approval (April/May 2023).
- Organize pre-application orientation sessions for the Green Alliance Gaming Challenge Awards (May 2023).
- Post-grant award implementation (April – June 2023).

## 9. STATUS OF AWARD DELIVERABLES

<b>Award Year/Deliverable</b>	<b>Updates</b>	<b>Remarks</b>
Quarterly Progress Report	Completed	Approved by USAID
Biweekly Reports	Completed	Submitted to USAID
Gender Inclusion Guidelines and Standards Report	Completed	Approved by USAID
Political Economy Analysis	Completed	Submitted to USAID

## 10. SUCCESS STORY

### IPA - MAXIMIZING INVESTMENT OPPORTUNITIES THROUGH INTERNATIONAL INVESTMENT EVENTS

To complement the USAID Investment Promotion Activity's (IPA) various investment promotion initiatives, the project has been effectively utilizing key investment promotion events as platforms to support potential matchmaking of Pakistani firms with U.S. and global investors. IPA is using this strategy to help stimulate U.S. and other international investments into Pakistani firms.

IPA has partnered with Pak Launch, which is a California based U.S. diaspora network founded in April 2020 with an aim to connect Pakistani tech startups and professionals with global investors and the mentors and has quickly grown to 300,000+ members. They have organized four large tech conferences for Pakistan in the last two years, facilitated over 80 startups in raising \$80M+ in funding capital, and conducted 250+ events including webinars, meetups. and training courses.

Pak Launch hosted Unconference 2023 in Dubai, which was one of their flagship events. Some 100 international venture capitalists and angel investors flew to Dubai from over 15 countries to explore opportunities in Pakistan's startup sector. IPA participated in the event as a 'Platinum Sponsor'. Sixty tech startups from Pakistan met with this investor community, including eight enterprises that IPA had sponsored. At the event, IPA was able to conclude a partnership with Amazon Web Services (AWS) to provide free web hosting (AWS) credits to IPA grant recipients and firms that are part of the project's investment pipeline.



*Investor-investee networking event at Unconference in Dubai*

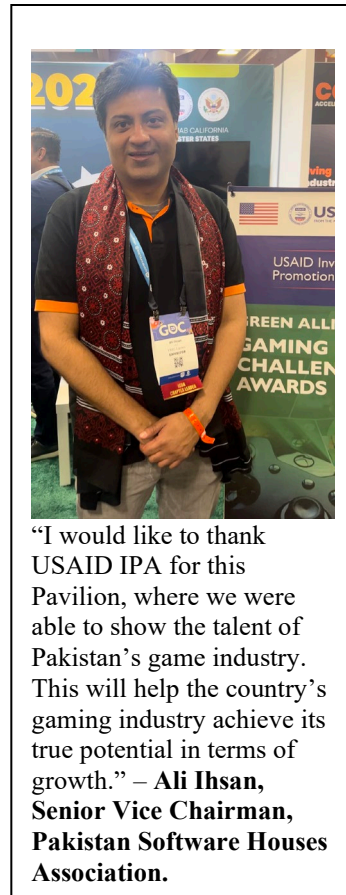
Given IPA's focus on increasing FDI and U.S.-Pakistan bilateral trade (especially for the Information Technology sector) and to further cement the California-Punjab Sister Province/State initiative signed in January 2023, and given the potential of Pakistan's gaming industry, the project collaborated with the Pakistan Software Houses Association (P@SHA) to sponsor the first-ever 'Pakistan Pavilion' at the Game Developers Conference (GDC) in San Francisco, where over 35 Pakistani game developers were able to showcase their products to international customers/potential clients and develop partnerships. The Pakistan Pavilion received a tremendous footfall during the GDC Expo, where for the first time, all Pakistani game developers collectively represented Pakistan's gaming industry and the tremendous potential it has for developing world-

class games. The Pakistan Pavilion was one of the few country pavilions at the GDC. IPA also launched its Green Alliance Gaming Challenge Awards at the event through which the project will award grants to Pakistani game developers for developing commercially viable games that will help create awareness about climate change, promote steps that can be taken to help mitigate challenges related to climate change, and highlight its effects on Pakistan and the world.

The global game industry’s premier event saw more than 28,000 registered attendees and featured over 1,000 speakers and 700 sessions, workshops, roundtable discussions, and networking opportunities. More than 300 exhibitors displayed the latest technologies, programs, and services, including industry leaders like Meta, Amazon Web Services, Google, and many more. The workshops and sessions featured some of the biggest names in the games and entertainment industry.

In Asia, Pakistan stands out as an emerging player in the gaming industry. The revenue for the industry in Pakistan has more than doubled since 2017 and it is expected to continue growing over the next years. Pakistan has a skilled workforce of approximately 30,000 in the gaming sector, with over 300 game and development studios. Moreover, an estimated 36.8 million of Pakistan’s population are gamers. The video games industry in Pakistan represents a rapidly emerging sector with the potential to contribute significantly to the country’s economy at a time when the government is dealing with critical economic challenges. The industry has grown rapidly over the past few years and has been able to attract the attention of the private and public sectors. Pakistan’s software houses have been producing games for international audiences for a long time and if done with the correct policies, the gaming sector can spur economic growth in Pakistan and bring in much-needed Foreign Direct Investments and help enhance U.S.-Pakistan bilateral trade.

IPA continues to explore such opportunities to connect Pakistani firms with international investors through such key global platforms to help increase FDI into Pakistan.



“I would like to thank USAID IPA for this Pavilion, where we were able to show the talent of Pakistan’s game industry. This will help the country’s gaming industry achieve its true potential in terms of growth.” – **Ali Ihsan, Senior Vice Chairman, Pakistan Software Houses Association.**



## ANNEX 1: PROGRESS ON PERFORMANCE INDICATORS FROM AMEL PLAN (JAN-MAR 2023)

INDICATOR	UNIT OF MEASUREMENT & (REPORTING FREQUENCY)	RESULT FOR REPORTING QUARTER (JAN – MAR 2023)	REPORTING YEAR TOTAL	REPORTING YEAR TARGET AS PER APPROVED AMELP	% OF REPORTING YEAR TARGET ACHIEVED TO DATE	DETAILS/DISAGGREGATION OF RESULTS FOR REPORTING QUARTER and Remarks
Indicator 3.1.1a: Number of economic growth policies advanced as a result of USG assistance	Number of Policy stages (Annual)	3	2	5	40%	<ol style="list-style-type: none"> <li>1. Development of Investment and Trade Promotion Strategy for Government of Punjab (<b>UNDERWENT ANALYSIS</b>)</li> <li>2. Development of Investment and Trade Promotion Strategy for Government of Punjab (<b>UNDERWENT DEBATE and/or CONSULTATION WITH STAKEHOLDERS</b>)</li> <li>3. Review and Modification of Public Private Partnership Legal and Institutional Framework for the Public Private Partnership (PPP) Unit, Finance Department, Government of Sindh (<b>UNDERWENT ANALYSIS</b>)</li> </ol> <p>For data disaggregates of Policy Title and Stage of Advancement, please see Annexure-I.</p>
Indicator 3.1.3b: Number of trade and transit facilitation policies supported with USG assistance	Number of Policies (Annual)	1	1	2.5	40%	<ol style="list-style-type: none"> <li>1. Development of Investment and Trade Promotion Strategy for Government of Punjab</li> </ol> <p>For data disaggregates of Policy Title and New/Continuing, please see Annexure-I.</p>
Ind 1.1a: Number of laws, policies, or procedures to promote trade and investment advanced as a result of U.S. government assistance	Number of Policy stages (Annual)	3	2	5	40%	<ol style="list-style-type: none"> <li>1. Development of Investment and Trade Promotion Strategy for Government of Punjab (<b>UNDERWENT ANALYSIS</b>)</li> <li>2. Development of Investment and Trade Promotion Strategy for Government of Punjab (<b>UNDERWENT DEBATE and/or CONSULTATION WITH STAKEHOLDERS</b>)</li> <li>3. Review and Modification of Public</li> </ol>

INDICATOR	UNIT OF MEASUREMENT & (REPORTING FREQUENCY)	RESULT FOR REPORTING QUARTER (JAN – MAR 2023)	REPORTING YEAR TOTAL	REPORTING YEAR TARGET AS PER APPROVED AMELP	% OF REPORTING YEAR TARGET ACHIEVED TO DATE	DETAILS/DISAGGREGATION OF RESULTS FOR REPORTING QUARTER and Remarks
						Private Partnership Legal and Institutional Framework for the Public Private Partnership (PPP) Unit, Finance Department, Government of Sindh <b>(UNDERWENT ANALYSIS)</b> For data disagggregates of Policy Title and Stage of Advancement, please see Annexure-I.
Ind 2b: Number of private sector entities participating in policy-making events organized through USG assistance	Number of Entities (Quarterly)	16	16	15	106%	For data disagggregates of Sector, Province and Ownership, please see Annexure-I.
Ind 2.2a: Number of business inquiries from investors as a result of USG assistance	Number of Enquiries (Annual)	12	12	15	80%	For data disagggregates of Source and Type of Enquiry, please see Annexure-I.
Ind 2.2b: Value of business inquiries from investors, as a result of USG assistance	Value of Business Enquiries (Annual)	USD 6.9 million	USD 6.9 million	USD 60 million	12%	For data disagggregate of Source, please see Annexure-I.
Ind 4.1a: Number of one-on-one meetings to finalize trade and investment transactions/deals between U.S. and Pakistani companies as a result of U.S. government assistance	Number of Meetings (Quarterly)	197	197	800	25%	For data disagggregates of Ownership and Sector, please see Annexure-I.

INDICATOR	UNIT OF MEASUREMENT & (REPORTING FREQUENCY)	RESULT FOR REPORTING QUARTER (JAN – MAR 2023)	REPORTING YEAR TOTAL	REPORTING YEAR TARGET AS PER APPROVED AMELP	% OF REPORTING YEAR TARGET ACHIEVED TO DATE	DETAILS/DISAGGREGATION OF RESULTS FOR REPORTING QUARTER and Remarks
Ind PSE-3: Number of private sector enterprises with improved participation in the local economy as a result of USG assistance	Number of Enterprises (Annual)	04	04	10	40%	For data disaggregates of Type of Entity and Type of participation, please see Annexure-I.



## ANNEX 2: PHOTOGRAPHS



*Group photograph from IPA's first meeting of its Investment Promotion and Trade Enhancement Advisory Group held in Islamabad on March 16, 2023.*



*IPA's fortnightly progress update meeting with Additional Secretary, Board of Investment held in Islamabad on March 31, 2023*



*Figure 1: IPA's introductory meeting with Vice Chairman, Khyber Pakhtunkhwa Board of Investment and Trade held in Peshawar on February 22, 2023.*



*IPA's meeting with Chief Executive, Trade Development Authority of Pakistan, held in Islamabad on February 3, 2023*



*Follow-up meeting with the American Business Council of Pakistan, held in Karachi on February 3, 2023.*



*Meeting with Sindh Investment Department, Government of Sindh in Karachi on February 3, 2023.*





Figure 2: Meeting with Overseas Investors Chamber of Commerce and Industry held in Karachi on February 2, 2023



Working-level meeting with Trade Dispute Resolution Organization in Karachi on January 6, 2023.



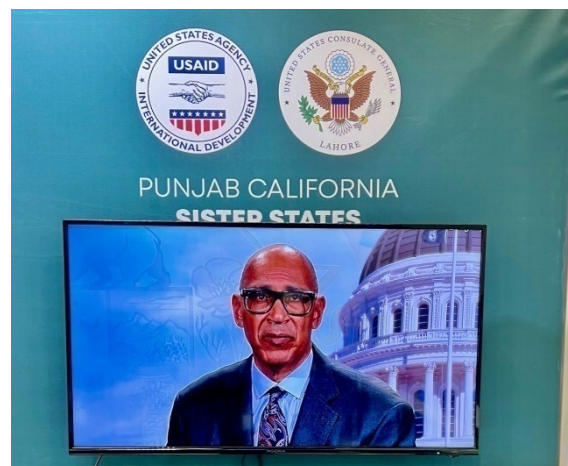
IPA participated in the 'Her Hunar' conference in Islamabad on March 3, 2023, and discussed the project's investment/trade related initiatives with Pakistani women entrepreneurs in Islamabad



IPA participated in the Pak Launch Unconference in Dubai as a Platinum Sponsor on January 25-27, 2023.



U.S. Consul General William Makaneole inaugurates the Pakistan Pavilion at the GDC in San Francisco, which IPA sponsored.



California State Representative Chris Holden's remarks were played at the Pakistan Pavilion at the GDC in San Francisco.

### ANNEX 3: LIST OF SUB-CONTRACTORS/SUB-AWARDEES

No.	Name of Sub-Contractor / Sub-Awardee	Title of Intervention	Start Date	End Date
1	Semiotics	Objective 1 - Business enabling regulatory environment for investment promotion improved Objective 2 - Institutional reforms, ease of compliance and doing business, and transparency improved	February 1, 2022	August 31, 2026
2	Development Executives	Objective 3 - addressing U.S.- Pakistan bilateral trade and investment Objective 4 - addressing the mobilization of FDI and U.S.- Pakistan bilateral trade	February 1, 2022	August 31, 2026
3	Delphos	Objective 3 - addressing U.S.- Pakistan bilateral trade and investment Objective 4 - addressing the mobilization of FDI and U.S.- Pakistan bilateral trade	February 1, 2022	January 31, 2025



## ANNEX 4: ADVERTISEMENT

IPA published an advertisement in the DAWN newspaper and on social media platforms of USAID and partners to solicit applications for its Green Alliance Gaming Challenge Awards

  **USAID**  
FROM THE AMERICAN PEOPLE

USAID Investment Promotion Activity

**GREEN ALLIANCE**  
**GAMING CHALLENGE AWARDS**

Are you a **Pakistani game developer** concerned about **climate change?**

Would you like to **develop commercially viable games** that will help **create awareness** about mitigating the negative effects of climate change?

The USAID Investment Promotion Activity (IPA) is now seeking award applications from game developers/relevant enterprises registered in Pakistan to develop engaging games that will:

- Promote Sustainable Climate-Smart Practices
- Raise Awareness About Environmental Issues
- Encourage Youth to take Measures to Protect Our Planet

Through these awards, game developers would also be required to help enhance U.S.-Pakistan bilateral trade and increase Foreign Direct Investment.

Potential award funding of up to  
**PKR 25 Million**  
per award

To receive more information about award application process,  
please send an email to  
[IPAFund@pakistanipa.com](mailto:IPAFund@pakistanipa.com)  
with  
"Green Alliance: Gaming Challenge Awards"  
in the subject line.

USAID IPA encourages women-led/owned businesses to apply  
The awards are open to all geographic regions of Pakistan

USAID IPA's Outreach Partner  
**POSHA**  
Pakistani Overseas Support & Home Affairs

Last date to submit award applications is 11:00 PM (Pakistan Standard Time) May 31, 2023

## ANNEX 5: DATA DISAGGREGATION

**Ind. 3.1.1a: Number of economic growth policies advanced as a result of USG assistance.**

Policy Name/Title	Analysis (Stage-1)	Stakeholders Consultation/Public Debate (Stage-2)	Total
Development of Investment and Trade Promotion Strategy for Government of Punjab	1	1	2
Review and Modification of Public Private Partnership Legal and Institutional Framework for the Public Private Partnership (PPP) Unit, Finance Department, Government of Sindh	1		1
<b>Total</b>	<b>2</b>	<b>1</b>	<b>3</b>

**Indicator 3.1.3b: Number of trade and transit facilitation policies supported with USG assistance.**

Policy Name/Title	New/Continuing	Total
Development of Investment and Trade Promotion Strategy for Government of Punjab	1 (New)	1
<b>Total</b>	<b>1 (New)</b>	<b>1</b>

**Ind 1.1a: Number of laws, policies, or procedures to promote trade and investment advanced as a result of U.S. government assistance.**

Policy Name/Title	Analysis (Stage-1)	Stakeholders Consultation/Public Debate (Stage-2)	Total
Development of Investment and Trade Promotion Strategy for Government of Punjab	1	1	2
Review and Modification of Public Private Partnership Legal and Institutional Framework for the Public Private Partnership (PPP) Unit, Finance Department, Government of Sindh	1		1
<b>Total</b>	<b>2</b>	<b>1</b>	<b>3</b>

**Ind 2b: Number of private sector entities participating in policy-making events organized through USG assistance.**

Sector	Male-Owned	Total
<i>Province: Punjab</i>		
Information Communication Technology (ICT)	7	7
Agricultural Technology (agritech) and Processing	6	6
Tourism and Hospitality	2	2

Sector	Male-Owned	Total
Others	1	1
<b>Sub-Total (Punjab)</b>	<b>16</b>	<b>16</b>
<b>Total</b>	<b>16</b>	<b>16</b>

**Indicator 2.2a: Number of business inquiries from investors as a result of USG assistance**

Source	Investment Enquiries	Trade Enquiries	Total
United States (U.S.)	0	12	12
<b>Total</b>	<b>0</b>	<b>12</b>	<b>12</b>

**Indicator 2.2b: Value of business inquiries from investors as a result of USG assistance**

Source	Total
United States (U.S.)	USD 6,964,000.00
<b>Total</b>	<b>USD 6,964,000.00</b>

**Ind 4.1a: Number of one-on-one meetings to finalize trade and investment transactions/deals between U.S. and Pakistani companies as a result of U.S. government assistance.**

Ownership	Information Communication Technology (ICT)	Manufacturing	Total
Men-Owned/led	63		63
Women-Owned/led	78	56	134
<b>Total</b>	<b>141</b>	<b>56</b>	<b>197</b>

**Indicator PSE-3: Number of private sector enterprises with improved participation in the local economy as a result of USG assistance**

Type of Participation	For-profit commercial entities (excluding financial institutions and social enterprises)	Private financial institutions (excluding social enterprises)	Private social enterprises	Total
Government Advocacy	2	1	1	4
<b>Total</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>